

Contact for apologies: Sue Hammond

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Contact number for meeting venue: 8384 0614

16 November 2017

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN in accordance with Section 83 of the *Local Government Act 1999* that an **Ordinary Meeting of Council** of the City of Onkaparinga will be held on **Tuesday 21 November 2017** at **7pm** at the Council Chamber at the Civic Centre, Ramsay Place, Noarlunga Centre for the purpose of considering the items included on the attached agenda.

We recognise that the land on which we meet has considerable natural and cultural heritage, including thousands of years of traditional ownership by Kaurna.

Mark Dowd

Chief Executive Officer

Disclaimer: Please note that the contents of the Council Agendas have yet to be considered by Council and recommendations contained herein may be altered or changed by the Council in the process of formally making decisions of Council.



City of Onkaparinga

PO Box 1 Noarlunga Centre South Australia 5168 www.onkaparingacity.com Noarlunga office

Ramsay Place Noarlunga Centre Ph: 8384 0666 Fax: 8382 8744 Aberfoyle Park office

The Hub Aberfoyle Park Ph 8384 0666 Fax: 8270 1155 Willunga office

St Peters Terrace Willunga Ph: 8384 0666 Fax: 08 8556 2641 Woodcroft office

175 Bains Road Morphett Vale Ph: 8384 0666 Fax: 08 8556 2641



City of Onkaparinga

Agenda for the Council meeting to be held on 21 November 2017

Venue: Council Chamber, Civic Centre Ramsay Place, Noarlunga Centre	
Meeting commenced:	
Present:	
Apologies: Cr W Olsen	
Leave of absence:	
Absent:	
Pledge:	_

We recognise this City's considerable natural and cultural heritage, including thousands of years of traditional ownership by Kaurna, and the more recent contribution from people either born here or who have migrated here. As we meet together, we build on this heritage by respecting and listening to each other, thinking clearly, being receptive to new ideas, speaking honestly, and deciding wisely for the current and future well-being of those we serve.

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1. Opening of meeting

2. Confirmation of minutes of the Council meeting held on 17 October 2017

3. Adjourned business

Nil.

4. Leave of absence

Nil

5. Mayor's Communication

5.1 Mayor's Report 21 November 2017

On site visits

Since the last Council meeting I have hosted the first of our on-site visits — namely to Goodieson Brewery. Thank you to the Councillors who could make it. A great visit was topped off by a tour around the enterprise and learning something about the industry in general, but more particularly what drives this business to strive for excellence.

McLaren Vale Business Awards

I, along with Councillors Wainwright and Kilby, had an opportunity to again attend the McLaren Vale Business Awards. Congratulations to all winners, but more importantly a big congratulations to the McLaren Vale Business and Tourism Association for conducting these awards. It is an example of one business association highlighting service excellence for their business and giving back to their members. They also hold a successful business expo each year and this year the event was in the Romeo Foodland complex.

During this period I also had the opportunity (as LGA President) to attend the Sustainable Economic Growth for Regional Australia (SEGRA) Conference in Pt Augusta. I was very impressed with the successes being made in the iron triangle, largely through Pt Pirie, Pt Augusta and Whyalla working closely together. There is significant investment being made in all these locations. Also I presented to the National Grants Commission on the importance to South Australia of equalisation of funds for SA Councils compared to other Australian states and the way partnerships have helped us here in South Australia.

Congratulations to the winners of the individual Every Generation Onkaparinga Awards Eric Annett and Auntie Leonie Brodie (deceased). Very well deserved

winners. Congratulations also to the Southern Volunteering Community Visitors Scheme Volunteers.

Christies Beach Blue Light Leadership Camp

I want to note a special thank you to Cr Darryl Parslow for hosting this leadership group on my behalf. Not only did he present an inspirational presentation to these leaders of the future, but he held a mock council meeting to provide some insight into what we do and discuss as the elected body. Thank you also to Governance and Community Relations staff who assisted Cr Parslow in making this event a success.

Correspondence received

Regional Development Australia - Building Better Regions Fund Round 2, attachment 2

Hon Darren Chester MP – Statement of Expectations Roads to Recovery Program, attachment 3

CEO City of Marion – Letter of thanks, outcome of upgrade to Meyer Road bridge, attachment 4

SA Murray-Darling Basin Natural Resources Management Board – Water Allocation Plan for the River Murray Prescribed Watercourse, attachment 5

Mayor Frankston City - Homelessness in Australia, attachment 6

Mayor's calendar

My activities from 14 October to 17 November 2017 are reflected in attachment 1. Thank you.

Lorraine Rosenberg Mayor

Recommendation

That Council note the 21 November 2017 Mayor's Report.

Attachment 1

Mayor Lorraine Rosenberg Meetings and events 14 October to 17 November 2017

Octob	er				
14	RSL McLaren Vale Annual Dinner				
15	Official opening of Symonds Reserve Dog Park Aldinga Beach				
	Rotary Club of Noarlunga Showcase				
	Inspire Us Grants 2017 Pitch Event				
16	Let's Talk Onkaparinga Inaugural AGM				
17	Garden Competition judging				
	Meeting with Councillor				
	Meeting with Director Corporate and City Services				
	Meeting of Council				
18	Garden Competition judging				
	Elected Member site visit to Goodieson Brewery				
	Southern Districts Computer Users Club AGM – guest speaker				
20	Meeting with Executive Assistant				
	Garden Competition judging				
	McLaren Vale Business Awards				
21	Morphett Vale Youth Club 50 th Anniversary Dinner				
22	Aberfoyle Hub Community Childrens Centre AGM and open day				
28	Happy Valley BMX Club State Championships				
30	Every Generation Onkaparinga Awards				
Noven	iber				
1	Filming for City of Onkaparinga highlights video				
	Meeting with staff re Garden Competition				
	Meeting with Executive Assistant				
	Meeting with Hub Gymnastics Club				
1	Southern Metropolitan Music Festival				
2	Stormwater Management Authority Board				
	Meeting with Director Corporate and City Services				
	Meeting with Councillor				
	Mayor's Garden Competition Awards				
3	Operation Flinders Presentation				
	Mayor's Prayer Breakfast committee				
	Southern Montessori meeting				
4	Opening ceremony Southern Rockhounds Gem Fair				
	RSL Willunga annual dinner				
9	Coast FM radio session				
10	Meeting with resident				
	SA Coastal Conference Panel speaker				
11	Remembrance Day RSL Port Noarlunga/Christies Beach				
14	The Vines Uniting Church meeting				
	Elected Member session				
15-16	LGA Conference and AGM				
17	Community Living Australia opening and Beach Road office launch				
	Meeting with resident				

Attachment 1

Mayor Lorraine Rosenberg Meetings and events 14 October to 17 November 2017

Elected Member Sessions held during this period:

24 October Long Term Financial Plan 14 November Employment Lands DPA

Thank you to the following Elected Members who represented me during this period:

27 October	Christies Beach Blue Light Leadership group	presentation	
	and mock council	Cr Parslow	
27 October	McLaren Vale Grape Wine & Tourism Associ	ation	
	Bushing Lunch	Deputy Mayor	
27 October	Opening of Fleurieu Folk Festival	Deputy Mayor	
27 October	Flagstaff Hill R-7 School Time Capsule	Cr Nankivell	
2 November	mber Reynella East College Senior School Community		
	Service Awards	Cr Nicholls	
3 November	Noarlunga Theatre Company opening night	Cr Merritt	
11 November	Remembrance Day RSL Morphett Vale	Cr Nankivell	
11 November	Remembrance Day RSL McLaren Vale	Cr Olsen	
13 November	Kmart Wishing Tree appeal launch	Cr Hennessy	

Building Better Regions Fund - Round 2 NOW OPEN!

Page 1 of 2

Attachment 2





Development Australia Shaping the Future of our Region

Building Better Regions Fund - Round 2 NOW OPEN!

Applications for Round Two of the Building Better Regions Fund (BBRF) are open until the 19 December 2017.

High quality applications are sought for infrastructure projects and community capacity building initiatives that will create jobs, drive economic growth and build stronger regional communities.

There are two streams of funding available under the program:

- Infrastructure Projects Stream supports projects which involve the construction of new infrastructure, or the upgrade or extension of existing infrastructure.
- <u>Community Investments Stream</u> will fund community building activities including, but not limited to, new or expanded local events, strategic regional plans and leadership and capability building activities.

We would encourage all Regional Development Australia Committees and potential applicants to visit the BBRF <u>website</u> and mapping tool, to assist in determining the eligibility of their project.

The Frequently Ask Questions document available at the BBRF website provides further details regarding the changes between rounds one and two.

Similar to round one, the Department of Industry, Innovation and Science's Business Grants Hub will be delivering the program on behalf of the Department of Infrastructure and Regional Development. The Business Grants Hub can be contacted on 13 28 46.

http://mailchi.mp/rdahc/building-better-regions-fund-round-2-now-open?e=d8af14b046 16/11/2017

Building Better Regions Fund - Round 2 NOW OPEN!

Page 2 of 2

Funding Round Two

Applications close at 5pm Australian Eastern Daylight Savings Time on 19th of December 2017.

Announcement of successful projects is expected in 2018.

Further information, official guidelines and the application portal can be access on the Building Better Regions Fund website.

Assistance

It is advised by the Better Regions Fund team for applicants to contact RDA AHFKI to ensure your application and planning coincide with RDA AHFKI Roadmap.

Applicants are welcome to contact RDA AHFKI to arrange an appointment to discuss their application and receive a letter of support. Call the office on 8536 9200

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Attachment 3



The Hon Darren Chester MP

Minister for Infrastructure and Transport
A/g Minister for Regional Development
A/g Minister for Local Government and Territories
Deputy Leader of the House
Member for Gippsland

The Mayor
City of Onkaparinga
PO Box 1
NOARLUNGA CENTRE SA 5168

Dear Mayor

I am writing to advise you that I have issued a Statement of Expectations for the Roads to Recovery (R2R) Program. This statement is to bring R2R in line with other Australian Government programs where funding is issued with a set of expectations. This statement is the first one for the R2R Program and it aims to improve road safety for all Australians.

I am constantly reminded of the good use to which councils have put their R2R money, but I believe that more needs to be done to encourage more road safety outcomes from the funding.

The statement asks councils to consider directing more of their R2R funding to projects that are likely to reduce fatalities and serious injuries in crashes and to work with my Department to improve the reporting of safety and other outcomes from the R2R Program. A more formal evaluation by councils of their R2R projects will also make it easier for us to show how they have benefitted the local network and the community.

Reducing road trauma is a responsibility for us all. It's about safer drivers, safer cars and safer roads. Your support to help save lives and reduce the economic burden of road trauma will be greatly appreciated by your community.

The Australian Government has demonstrated its firm commitment to the R2R Program by providing an additional \$50 million on an ongoing basis from 2019-20, to bring the annual allocation to \$400 million across all councils in Australia, and by ensuring that the program did not contain a sunset clause under the *National Land Transport Act 2014*, meaning no new legislation is required for the continuation of the program.

Parliament House Canberra ACT 2600 Telephone: (02) 6277 7680

I would be grateful if you would ensure that the Statement of Expectations is circulated to elected members and to council officers involved in selecting and administering R2R projects within your council.

The contact officer in my Department on this matter is Ms Sylvia Vincent at sylvia.vincent@infrastructure.gov.au or 02 6274 7387.

I look forward to continuing the successful relationship between the Australian Government and local councils through the R2R Program. By working together, we can make a difference to improve road safety.

Yours sincerely

DARREN CHESTER

Encl

7 November 2017





The Hon Darren Chester MP

Minister for Infrastructure and Transport
A/g Minister for Regional Development
A/g Minister for Local Government and Territories
Deputy Leader of the House
Member for Gippsland

ROADS TO RECOVERY STATEMENT OF EXPECTATIONS

The Roads to Recovery (R2R) Program makes a valuable contribution to safety, economic and social outcomes in communities through supporting maintenance of the nation's local roads.

In the 2016-17 Budget, the Australian Government took a decision to provide an additional \$50 million on an ongoing basis to the R2R Program from 2019-20, to bring the annual allocation to \$400 million across all councils in Australia.

The Government also ensured that the R2R Program did not contain a sunset clause under the *National Land Transport Act 2014*, safeguarding the continuation of this important program.

1,300 people died on Australian roads last year and the Australian Government has been working closely with all levels of government to develop a strategy to reduce fatalities and serious injuries on our roads.

The current National Road Safety Strategy 2011-2020 sets out a plan using the safe system approach, safer vehicles, safer speeds, safer people and safer roads to reduce fatal and serious injury crashes by at least 30 per cent. This approach calls for a holistic view of the road transport system and the interactions among roads and roadsides, travel speeds, vehicles and road users.

Unfortunately, after a decade of good results, the trend over the last two years has been going in the wrong direction.

In reviewing the outcomes of the R2R Program, I am pleased to see that 27 per cent of funding received by councils has been spent on road safety across the life of the current program. A further 34 per cent of spending has been to maintain the road asset, which also has safety benefits.

There is a considerable body of knowledge that indicates that well-designed road improvements reduce the rate of road crashes and serious injuries.

A study of the Australian Government's Black Spot Program in 2012 examined the crash reduction benefits of a variety of road treatments based on a sample of 1,599 projects across the country.

Parliament House Canberra ACT 2600 Telephone: (02) 6277 7680

The Bureau of Infrastructure, Transport and Regional Economics estimated that the Black Spot Program is reducing fatal and casualty crashes in total at treated sites by 30 per cent.

The study found that roundabouts are the most effective treatment, reducing casualty crashes by over 70 per cent. Providing new traffic signals and altering the traffic flow direction are the next most highly effective treatments for most severity levels, reducing crashes by more than 50 per cent.

We do not have the same level of information to be able to assess the benefits of the R2R Program.

I would like to work with local councils to ensure that the R2R Program is delivering the best possible outcomes in the area of road safety. When selecting projects, I would urge councils to consider the likelihood that the selected project will reduce fatalities and serious injuries in crashes.

It may be that projects that may not have been able to be funded under State or Federal Black Spot programs could be delivered under the R2R Program.

In terms of road maintenance projects, improving the quality of the road asset through resheeting and resealing will have stronger safety outcomes than simply maintaining the quality through routine road maintenance.

I note that pedestrian and cycling facilities associated with a road can be funded under R2R. I do not propose to change the eligibility criteria, but ask that such projects are only prioritised if their specific aim is to improve safety for vulnerable road users.

Councils could consider pooling R2R funding or Financial Assistance Grants to prioritise and jointly improve the quality of roads in a region with a known crash record. Similar to the greater adoption of asset management plans, councils could draw up road safety plans on a network basis in conjunction with neighbouring councils.

I have asked my Department to improve the reporting of safety and other outcomes from the R2R Program and I would like councils to provide additional information on the benefits and outcomes of each project. I encourage you to evaluate the projects completed and how they have benefitted the local network and community (for example, crash reductions or travel efficiencies), to assist us to better monitor and evaluate the program. I ask that this information be provided as part of the annual reporting from councils. My Department will inform councils of new reporting templates that will need to be completed as a condition of funding release for future years.

Doc:4189420

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I am also requesting councils provide the Department with more regular updates on the status of projects which are receiving funding under R2R. I know previously some councils have informed us once works have been completed rather than before they have begun. I would like councils to inform us of every project which will receive R2R funding before they commence work on them and update us on their progress each quarter. A higher level of engagement than we have previously requested will allow both of us to benefit by keeping the local community informed of works underway.

The Commonwealth Government is committed to using Federal funding to improve employment opportunities for Indigenous Australians and I ask for this consideration to be applied to projects using R2R funding.

Lastly, I invite councils to write to me with ideas of how all levels of government could be improving road safety and the outcomes from the considerable investment we all make in the country's roads.

DARREN CHESTER

7 November 2017

Ref: 17171888

7 November 2017

Mayor Lorraine Rosenberg PO Box 1 Noarlunga Centre SA 5168

Dear Mayor Rosenberg

PO Box 21, Oaklands Park South Australia 5046 245 Sturt Road, Sturt South Australia 5047

T (08) 8375 6600 F (08) 8375 6699 E council@marion.sa.gov.au

RE: Outcome of upgrade of Myer Road bridge

Thank you for your letter dated 27 October 2017, notifying us of your success in winning \$1.99m funding towards the Meyer Road bridge renewal project.

This is a great achievement and an excellent outcome for both Onkaparinga and the south.

We are always happy to support and appreciate you letting us know of your success.

Yours faithfully

Adrian Skull

Chief Executive Officer

Loluer

City of Marion

The City of Marion acknowledges it is part of Kauma land and recognises the Kauma people as the traditional and continuing custodians of the land.

Attachment 5



Government of South Australia

South Australian Murray-Darling Basin Natural Resources Management Board

> Natural Resources Centre South Australian Murray-Darling Basin

PO Box 2343 110A Mannum Road MURRAY BRIDGE SA 5253

Tel 08 8532 9100 Fax 08 8531 1843

ABN 14 305 414 800 Email: samdbenquiries@sa.gov.au Website: www.naturalresources/ samurraydarlingbasin

Date: 13 November 2017

Mayor Lorraine Rosenberg City of Onkaparinga PO Box 1 NOARLUNGA CENTRE SA 5168

Dear Mayor Rosenberg

On behalf of the SA Murray-Darling Basin Natural Resources Management Board (Board), I would like to inform you that the Water Allocation Plan for the River Murray Prescribed Watercourse (the Plan) was adopted by the Minister for Sustainability, Environment and Conservation on 3 October 2017.

The Plan will ensure that the water resources of the River Murray in South Australia are managed in a sustainable manner balancing social, economic and environmental needs. The Plan also seeks to improve long term security and ensure equitable access to water for all users.

The adoption of the Plan ends a review process that has considered updated science, issues that have emerged since the adoption of the 2002 Plan, and changes to how the River Murray is managed across the Murray-Darling Basin region, for example through the introduction of the Basin Plan.

Our community asked us to consider learnings from the drought, and include additional information regarding how allocation decisions are made. A more detailed description of how water is shared between different users is now included in the Plan.

Adoption of the Plan may have implications, both direct and indirect for local government. The main changes that local government should note are:

- Changes to water management authorisations (e.g. licences, works approvals or site use approvals). After 1 July 2018, water management authorisations will be reissued to ensure consistency with the policies in the Plan including the introduction of new consumptive pools.
- Limitations on pumps located on anabranches and backwaters.
- The requirements of water management authorisations for new artificial water bodies including marinas and canal estates are now set out in the Plan. A water allocation is required for the initial fill and topping up of an artificial water body to compensate for annual net evaporation losses. This requirement also applies when an existing artificial water body is to be enlarged.
- Environmental Land Management Allocations (ELMA) in the Lower Murray Reclaimed Irrigation Area (LMRIA) cannot be transferred as stated in the existing policy and are not eligible for carryover.

The new Plan outlines a transparent process for allocation decision making that will assist all water users in planning and preparing for dry conditions.

The Adelaide Desalination Plant (ADP) has been explicitly incorporated into how future River Murray water allocations are made. As a result, the ADP is making a major difference to how water is shared between all users of the SA River Murray in dry years — with 50 GL of available River Murray water to be released to holders of irrigation licences in these years. This corresponds to an 8 percentage point increase in irrigators' allocations from the Murray.

For example, under the very dry conditions that prevailed at the start of the 2016-17 water year, this policy change would have boosted irrigators' opening allocations from 36 per cent to 44 per cent.

Boosting allocations to irrigators during dry times helps protect jobs and support industries in the South Australian Murray-Darling Basin. The extra volume for irrigators will be crucial for meeting the survival needs of permanent plantings during dry years and helps maintain business confidence in the irrigation sector and across the region.

Please find enclosed a hard copy of the Plan for your information. Electronic versions of the Plan as well as fact sheets and resources to explain changes to the Plan can be obtained from the Natural Resources website at http://www.naturalresources.sa.gov.au/samurraydarlingbasin/water/water-allocation-plans.

Alternatively, to find out more about the changes to the Plan please contact Peta Brettig, Senior Project Officer, River Murray Water Allocation Plan via email at rmwap.feedback@sa.gov.au or by calling 8463 6877 or 0439 824 477.

Yours sincerely

Sharon Starick
Presiding Member

South Australian Murray-Darling Basin Natural Resources Management Board

Attachment 6



Office of the Mayor

Frankston City Council 30 Davey Street, Frankston, Victoria, Australia Telephone: +613 8773 9529 Mobile: 0400 236 977 PO Box 490, Frankston VIC 3199 Website: frankston.vic.gov.au

Reference:

A3463999

Enquiries:

Liz Daley

Telephone:

03) 9784 1957

Mayor Lorraine Rosenberg City of Onkaparinga PO Box 1 NOARLUNGA CENTRE SA 5168

26 October 2017

Dear Mayor Rosenberg

HOMELESSNESS IN AUSTRALIA

Frankston City Council is gravely concerned about the increasing incidence of homelessness. Subsequently at the Ordinary Meeting on Monday 4th September 2017 Council resolved to write to the Federal Government and every Council in Australia indicating the plight of homelessness and calling on the Federal Parliament to become meaningfully engaged in resolving homelessness in Australia.

In 2016 there were 105,237 people recorded as homeless in Australia, alarmingly of these 17,845 were children under 10". 12% of all Australians and 17% of Australian children live in poverty". 22,773 Victorians are homeless¹, with 7,600 Victorians sleeping out in 2016. In 2014-15 in this country 255,657 people received support and almost seven million nights of accommodation were provided by specialist homelessness servicesvi.

In 2012-2013 the Frankston front door housing crisis centre, SalvoCare Eastern reported 2,200 unique homeless clients approached their agency for homeless supports or services during the year. In Frankston only 10% of 1-2 bedroom properties available for rental are rated as affordable by the Victorian Department of Health and Human Services Rental Report (2016). Newstart recipients are severely most disadvantaged receiving a fortnightly income of \$500; this is insufficient to cover costs of rent, food and basic needs.

Clearly urgent intervention is needed to assist the desperate plight of people who are homeless for many reasons including domestic and family violence (estimated 24%); financial difficulties (estimated 20%); housing crisis (estimated 16%); inappropriate or inadequate dwellings (estimated 11%); other relationship issues (estimated 8%); other accommodation issues (estimated 5%); health issues (estimated 4%); transition from custody agreements (estimated 2%); itinerant (estimated 1%); lack of family/community support (estimated 1%) and other reasons (estimated 8%) vii.

On any given night in Australia 1 in 200 people are homelessviii. This increasing crisis of homelessness in this country is of grave concern to citizens and communities in Frankston and throughout Australia. We call on the Federal Government through formal communication to provide the necessary monies to resolve this issue.

Seaford » Frankston » Langwarrin » Karingal » Skye » Frankston South » Frankston North » Carrum Downs » Langwarrin South » Sandhurst

Homelessness in Victoria costs the State and Federal Governments \$25,615 per person per year^{ix} (in health, crime, and others costs). This represents an annual loss of \$194 million^x in Victoria alone, as a result of the inadequate supply of last resort shelter or suitable housing for the 7,600 Victorians sleeping out or living on the streets.

We understand that the three tiers of Government have a role to play in reversing the homelessness trends in Australia and that traditionally the role of the Commonwealth Government has predominantly been to provide capital funding for public housing in Australia, while the State Government role has predominantly been to plan, provide and manage it. Local Government has a vital role in articulating and advocating the needs of the local community.

Council welcomes the recent Federal Government funding commitment through the National Partnership Agreement on Homelessness (NPAH) 2017-2019, and the National Housing and Homelessness Agreement (NHHA) seeking better outcomes for homelessness through improved accountabilities and working relationships with the States. However, Council is concerned this does not go far enough. The NPAH funding is far too low, and the expectation of matched State funding for homelessness will result in people at risk of, or experiencing homelessness, falling through the gaps. There is also a risk the co-contribution aspect in this funding will exacerbate the current deflection of responsibility between different levels of Government for resolving the homelessness crisis. It is vital that all levels of government work collaboratively on this critical issue.

As such, we invite all Councils in Australia to join with us in demanding that the Australian Government prioritises increased funding for the urgently needed essential services and shelter for Australian people and families who have become homeless in the 2018-2019 budget so they can be safe and well, and make meaningful contributions to community life. Every Australian adult and child deserves a place to call home.

Yours faithfully

Cr Brian Cunial

MAYOR - FRANKSTON CITY

Seaford » Frankston » Langwarrin » Karingal » Skye » Frankston South » Frankston North » Carrum Downs » Langwarrin South » Sandhurst

Homeless in Australia: Homelessness Australia January 2016

Homeless in Australia: Homelessness Australia January 2016

ACOSS, 2012, Poverty in Australia 2012

Homelessness Australia: Homelessness in Victoria, June 2017

The University of Melbourne, The Case for Investing in Last Resort Housing, 2017

vi AIHW, 2015 Specialist Homelessness Services 2014-2015

vii Homeless in Australia; Homelessness Australia January 2016

Viii Homeless in Australia; Homelessness Australia January 2016

^{ix} The University of Melbourne, *The Case for Investing in Last Resort Housing*, 2017

^{*} Ibid.

- 6. Presentations
- 6.1 Southern Region Waste Resource Authority Mark Booth, Chairman
- 7. Deputations
- 7.1 Hub Gymnastics Club Paul Murray
- 8. Presentation by Committee Chairpersons and reports to Council by Council Committees.
- 8.1 Audit, Risk, Value and Efficiency Committee meeting minutes of 30 October 2017

This is a regular or standard report.

Manager: Desma Morris, Manager Governance
Report Author: Sue Hammond, Governance Officer

Contact Number: 8384 0747

Attachments: 1. Minutes of the Audit, Risk, Value and Efficiency Committee

meeting held 30 October 2017 (17 pages)

A meeting of the Audit, Risk, Value and Efficiency Committee (the Committee) was held on 30 October 2017.

David Powell, Presiding Member of the Committee will present the 2017 Presiding Member's Report as part of this item.

The following items require a resolution of Council.

Recommendations

- - a. that the composition of the Audit, Risk, Value and Efficiency Committee be changed to comprise of three independent members and two elected members (with one of the elected members being the Mayor). This will align with trends across local government and provide a greater level of independence and broader skill base to provide advice to Council.
 - b. endorse the updates as per attachment 1 to the agenda report
- 2. That Council note the minutes of the Audit, Risk, Value and Efficiency Committee meeting held on 30 October 2017 as attached to the agenda report.

Attachment 1

City of Onkaparinga

Minutes of the Audit, Risk, Value and Efficiency Committee meeting held on 30 October 2017

Venue:	Meeting Room 1, Civic Centre Ramsay Place, Noarlunga Centre
Meeting commenced:	10am
Present:	Mr David Powell (Chair) Madeleine Vezis Cr J Gunn
Apologies:	Mayor L Rosenberg Cr Nankivell (proxy)
Leave of absence:	Cr J Deakin
Absent:	Nil

1. Opening of meeting

Mr Powell officially declared the meeting open at 10am.

2. Confirmation of minutes

Cr Gunn MOVED that the minutes of the proceedings of the Audit, Risk, Value and Efficiency Committee meeting held on 25 September 2017 be received and confirmed as an accurate record of those proceedings.

Seconded by Madeleine Vezis.

CARRIED

3. Adjourned business

Nil.

4. Chairperson's report

Nil.

5. Presentation

Nil.

6. Deputation

Nil.

Date Printed: 30 October 2017

7. Reports of officers

7.1 State Local Government Infrastructure Partnership funding deed

MOVED Madeleine Vezis.

That the Audit, Risk, Value and Efficiency Committee note the attached State Local Government Infrastructure Partnership deed and that Council's \$800,000 contribution to the Christie Downs infrastructure project was brought forward as part of budget deliberations and adopted by Council as part of the 2017–18 budget on 4 July 2017.

Seconded by Cr Gunn.

CARRIED

7.2 Quarterly Performance Improvement Report

MOVED Cr Gunn.

That the Audit, Risk, Value and Efficiency Committee note the agenda report and the City of Onkaparinga Performance Improvement Report (attachment 1 to the agenda report).

Seconded by Madeleine Vezis.

CARRIED

7.3 Southern Region Waste Resource Authority 2016-17 Annual Report

MOVED Madeleine Vezis.

That the Audit, Risk, Value and Efficiency Committee note the 2016-17 annual report for Southern Region Waste Resource Authority as it will be included in the 2016-17 City of Onkaparinga annual report.

Seconded by Cr Gunn.

CARRIED

7.4 Council Solutions Regional Authority 2016-17 annual report

MOVED Cr Gunn.

That the Audit, Risk, Value and Efficiency Committee note the 2016-17 annual report for Council Solutions Regional Authority as it will be included in the 2016-17 City of Onkaparinga annual report.

Seconded by Madeleine Vezis.

CARRIED

Date Printed: 30 October 2017

7.5 Freedom of Information Corporate Purchase Cards

This item was withdrawn.

7.6 Audit, Risk, Value and Efficiency Committee 2017 annual report

MOVED Madeleine Vezis.

That the Audit, Risk, Value and Efficiency Committee:

- 1. Approves the Audit, Risk, Value and Efficiency Committee 2017 Presiding Member's report for presentation to Council.
- Notes that the 2017 Presiding Member's report will be attached to the minutes
 of the meeting and presented to Council at its meeting on 21 November 2017.

Seconded by Cr Gunn.

CARRIED

7.7 Results of the Audit, Risk, Value and Efficiency Committee 2017 performance review

MOVED Cr Gunn.

It is recommended that the Audit, Risk, Value and Efficiency Committee:

- 1. Notes the outcomes of the 2017 performance review as provided in attachment 1 and summarised in the agenda report.
- Notes that the summary of the outcomes of the review, as provided as attachment 2 to the agenda report, will be provided to Council as an attachment to the Committee's annual report.
- 3. Considers the results of the 2017 performance review when reviewing its Terms of Reference at the meeting.

Seconded by Madeleine Vezis.

CARRIED

7.8 Audit, Risk, Value and Efficiency Committee Terms of Reference Review

MOVED Madeleine Vezis.

- That the Audit, Risk, Value and Efficiency Committee recommend to Council that the following amendments be made to the Audit, Risk, Value and Efficiency Committee Terms of Reference:
 - a. that the composition of the Audit, Risk, Value and Efficiency Committee be changed to comprise of three independent members and two elected members, (with one of the elected members being the Mayor). This will align with trends across local government and provide a greater level of independence and broader skill base to provide advice to Council.
- b. endorse the updates as per attachment 1 to the agenda report Seconded by Cr Gunn.

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7.9 Internal audit quarterly update

MOVED Cr Gunn.

That the Audit, Risk, Value and Efficiency Committee notes the Internal audit quarterly update report, including the status of actions arising from internal audits as reported in the Internal Audit Action Implementation Report provided as attachment 2 to the agenda report.

Seconded by Madeleine Vezis.

CARRIED

7.10 2017 Audit, Risk, Value and Efficiency Committee work plan

MOVED Madeleine Vezis.

That the Audit, Risk, Value and Efficiency Committee approve the amended 2017 work plan attached to the agenda report.

Seconded by Cr Gunn.

CARRIED

-			4
8.	Questions	an	notico
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Nil.

9. Motions

Nil.

10. Petitions

Nil.

11. Urgent business

Nil.

12. Confidential items

12.1 Libraries Review

MOVED Cr Gunn.

1. That:

- a. under the provisions of Section 90(2) of the Local Government Act 1999 an order be made that the public, with the exception of staff on duty, be excluded from attendance at the meeting in order to consider this item in confidence.
- b. the Audit, Risk, Value and Efficiency Committee is satisfied that it is necessary that the public, with the exception of staff on duty, be excluded to enable the Audit, Risk, Value and Efficiency Committee to consider the report at the meeting on the following grounds:
 - Section 90(3)(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- c. accordingly, on this basis the principle that meetings of the Audit, Risk, Value and Efficiency Committee should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.

Seconded by Madeleine Vezis.

CARRIED

MOVED Cr Gunn.

- 4. That the matter of Libraries Review having been considered by the Audit, Risk, Value and Efficiency Committee in confidence under sections 90(2) and 90(3)(a) of the Local Government Act 1999 that an order be made under the provisions of sections 91(7)and (9) of the Local Government Act 1999 that the Libraries Review and the minutes and the report of the Audit, Risk, Value and Efficiency Committee relating to discussion of the subject matter be kept confidential until all affected parties have been advised of Council's final decision in relation to the Libraries Review.
- That, pursuant to section 91(9)(a) of the Local Government Act 1999, Council
 delegates the duty to conduct an annual review of the confidentiality order to
 the Chief Executive Officer, or their sub-delegate.
- That, pursuant to section 91(9)(c) of the Local Government Act 1999, Council
 delegates the power to revoke the confidentiality order to the Chief Executive
 Officer, or their sub-delegate.

Seconded by Madeleine Vezis.

CARRIED

Date Printed: 16 November 2017

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Mr Powell officially declared the meeting closed at 12.22pm.

Attachment to item 7.6 – Presiding Member's Report

City of Onkaparinga
Minutes of the Audit, Risk, Value & Efficiency Committee meeting held on 30 October 2017

Audit, Risk, Value and Efficiency Committee - 2017 Presiding Members report

I am pleased to provide the Presiding Member's report of the Audit, Risk, Value and Efficiency Committee for 2017. The Committee has met on nine occasions since my previous report to Council to consider a range of matters within the scope of its Terms of Reference (TOR).

2016-17 General purpose financial statements

In accordance with its duties under the Local Government Act 1999 and its TOR, the Committee has reviewed the draft 2016-17 general purpose financial statements and met with the external auditors, BDO Audit (SA) Pty Ltd, to discuss matters arising from their audit.

On 25 September 2017 the Committee resolved that it is satisfied that the financial statements present fairly the state of affairs of council for the year ended 30 June 2017. I commend the financial statements for noting at your meeting tonight.

I would like to acknowledge the work of finance team in preparing the accounts.

Other matters

The following items have also been considered by the Committee in the past 12 months:

Financial Reporting and Sustainability

- Quarterly financial management report (including Long Term Financial Management Plan update)
- · Long term financial plan forecast economic indicators 2017-18
- · Draft annual business plan
- End of financial year reporting timetable
- Regional authorities annual reports (Southern Region Waste Resource Authority and Council Solutions)
- Draft 2016-17 Annual Report

Internal Controls and Risk Management Systems

- · Quarterly risk management update
- · Placement of Council insurances for 2017-18

Internal Audit

- · Quarterly internal audit updates
- 2017-18 to 2019-20 Internal audit plan
- Internal audit reports related to:
 - · Grant management
 - Recruitment and selection
 - Immunisation services
 - · Cash handling

External Audit

- · 2017 external audit interim management report
- · Implementation of external audit actions progress report
- · Review of auditor independence and legislative compliance
- 2017 external audit completion report
- 2017 external audit plan

Value and Efficiency

- · Quarterly performance improvement report
- · Service review scopes/reports related to
 - · Hard waste collection and disposal
 - Active ageing
 - Disability services
 - · Community wellbeing monitor
 - · Australia Day breakfasts

Other

- · Annual report on Section 270 applications
- · Work Health and Safety activities update
- Sellicks cliff top vegetation barrier planting review
- Audit, Risk, Value and Efficiency Committee Terms of Reference
- Audit, Risk, Value and Efficiency Committee 2017 Work Plan

In accordance with its Terms of Reference, the Committee has reviewed its performance against the terms. A summary of the results of the review are provided as an attachment to this report.

I would like to thank Mayor Rosenberg, Councillor Gunn, Councillor Deakin, Councillor Nankivell (proxy), Ms Madeleine Vezis and Mr Peter Mendo for their valued contribution to the work of the Committee.

Thank you for the opportunity to serve the Council in this way. We would welcome you visiting one of our meetings next year.

David Powell

ARVEC Presiding Officer 30 October 2017

Date Printed: 30 October 2017

Date Printed: 16 November 2017

2017 ARVEC performance review survey - summary of results

Results of the ARVEC annual performance review survey indicate there is general agreement among members that:

- the Committee has clear direction on the role, function and powers of the Committee and are members adequately qualified to carry out the role
- meeting frequency and duration are appropriate and the documentation provided in agendas is sufficient to enable informed decision making
- the Committee has achieved the objectives set out in the ToR with regard to
 - · internal and external audit
 - · internal control and risk management systems
 - · financial reporting and sustainability
 - · whistle blowing
- · the Committee has performed satisfactorily over the past twelve months.

A summary of the responses to the survey questions are provided below:

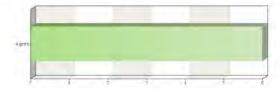
Question 1

The Terms of Reference (ToR) of the Committee provide clear direction on the role, function and powers of the Committee and its oversight responsibilities on behalf of Council.



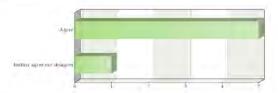
Question 2

The current annual process for the review of the ToR is adequate and appropriate.



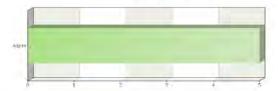
Question 3

The Committee, as a whole, is adequately qualified and appropriate to discharge its responsibilities on behalf of Council.



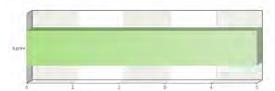
Question 4

The arrangements for Committee meetings are, in general, adequate and appropriate.



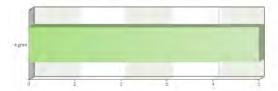
Question 5

The appropriate internal and external stakeholders attend meetings as necessary and add value to the Committee's discussions.



Question 6

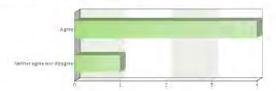
The documentation provided to the Committee is appropriate and sufficient to enable informed discussion and decision making at meetings.



Date Printed: 16 November 2017

Question 7

The annual work plan is appropriate and comprehensive enough to ensure the Committee executes its responsibilities in accordance with the ToR.



Question 8

The Committee has adequate opportunity to review the annual Financial Statements to ensure that they present fairly the state of affairs of the council and are in accordance with relevant accounting standards.



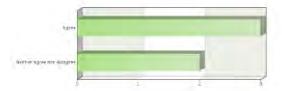
Question 9

The quarterly Financial Management Report provides the Committee adequate oversight of the financial performance information provided to Council and the key strategic financial decision making models, such as the long term financial plan, and their impact on Council's financial sustainability.



Question 10

The Committee has had an appropriate opportunity to provide input into the review of Council's strategic management plans and the development of the annual business plan and budget.



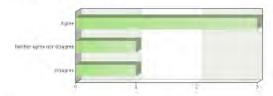
Question 11

The Committee has achieved its objectives, as set out in the ToR, in regard to financial reporting and sustainability.



Question 12

The Council's risk profile is adequately defined.



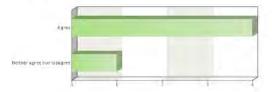
Question 13

The internal financial control self-assessment process, coordinated by the Finance team, and the external auditor's internal control audit provide sufficient assurance that the financial controls are adequate and operating as intended.



Question 14

The Committee has achieved its objectives, as set out in the ToR, in regard to internal control and risk management systems.



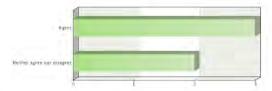
Question 15

The Internal Audit Charter provides clear and appropriate information on the role of the Internal Audit function and its relationships with the organisation and the Committee.



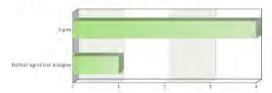
Question 16

The activities in the internal audit plan adequately address areas of risk and provide assurance to the Committee and Council.



Question 17

The Committee had appropriate input into the development of the internal audit plan.



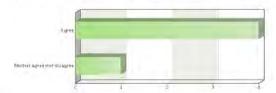
Question 18

The level of reporting regarding progress on implementing the audits and activities in the internal audit plan is appropriate.



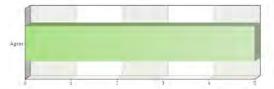
Question 19

The level of reporting to the Committee regarding outstanding actions is appropriate.



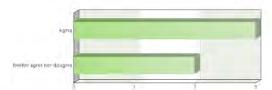
Question 20

The Committee has achieved its objectives, as set out in the ToR, in regard to internal audit.



Question 21

The Committee has achieved its objectives, as set out in the ToR, in regard to whistle blowing.



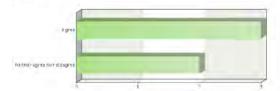
Question 22

The Committee reviews external audit reports on findings from financial and internal controls audits and monitors the implementation of actions being undertaken to address recommendations.



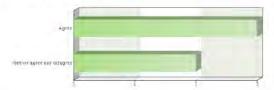
Question 23

The Committee discusses significant findings from the financial and internal controls audits with the external auditor.



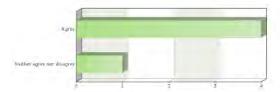
Question 24

The Committee has effectively overseen Council's relationship with the external auditor, including overall performance; appointment, reappointment and removal; approval of remuneration; terms of engagement; independence and objectivity; legislative compliance; qualifications, expertise and resources.



Question 25

The Committee has achieved its objectives, as set out in the ToR, in regard to external audit.



Question 26

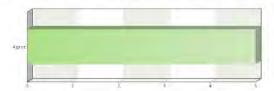
The current reporting framework enables the Committee to achieve its objectives, as set out in the ToR, in regard to value and efficiency.



Date Printed: 16 November 2017

Question 27

The Committee's annual performance review process is effective and worthwhile.



Question 28

I am satisfied with the overall performance of the Committee over the preceding 12 months.



9. Reports of officers

9.1 General Purpose Financial Statements 2016-17

This is a regular or standard report.

Manager: Darren Styler, Manager Finance

Report Author: Sonia Sghendo, Team Leader, Financial Accounting

Contact Number: 8384 0613

Attachments: 1. General Purpose Financial Statements for the year ended

30 June 2017 (68 pages)

1. Purpose

This report presents the audited General Purpose Financial Statements for the year ended 30 June 2017 for Council's information.

2. Recommendation

That Council note the audited General Purpose Financial Statements for the year ended 30 June 2017 that will be included in the City of Onkaparinga annual report as per attachment 1 to the agenda report.

3. Background

Section 31 of the *Local Government Act (1999)* (the Act) stipulates that 'A council must, on or before 30 November in each year, prepare and adopt an annual report relating to the operations of the council for the financial year ending on the preceding 30 June'.

At its meeting on 12 September 2017, as part of Budget Review 4, Council approved the 2016-17 year-end figures for audit purposes and considered the year end results. The auditors have subsequently concluded their audit with no adjustments to the figures approved by Council on 12 September 2017 being made.

Accordingly, following the Audit, Risk, Value and Efficiency Committee's consideration of the Financial Statements at their meeting on 25 September 2017, and in line with Council's resolution that:

'Council authorise the Mayor and CEO to certify the Annual Financial Statements each year for the remaining term of Council which expires in November 2017'.

The audited Financial Statements presented at attachment 1 to this report have been certified by the Mayor and CEO.

The external auditors (BDO (Audit) SA Pty Ltd) have also certified the financial statements and issued their Auditor's Completion Report in accordance with Section 124(2) of the Act.

4. Financial Implications

The audited General Purpose Financial Statements outline the financial result of Council for the year ended 30 June 2017.

5. Risk and Opportunity Management

Risk	
Identify	Mitigation
The financial statements do not fairly present the state of affairs of Council at 30 June 2017, giving rise to a qualified audit opinion.	The external auditors have issued an unqualified audit opinion in relation to the financial control environment and the truth and fairness of Council's financial position at 30 June 2017.
Failure to comply with requirements of the Local Government Act 1999 and associated standards/legislation results in a breach of the Act.	The year-end timetable adheres to the timeline stipulated in the Act for the sign off and filing of the Annual Report which includes audited General Purpose Financial Statements. We are currently adhering to the timeline set and therefore believe this risk is appropriately mitigated.

Attachment 1

City of Onkaparinga

GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2017

Strong Vibrant Communities



General Purpose Financial Statements For the year ended 30 June 2017

Contents	Page
1. Council Certificate	2
2. Primary Financial Statements:	
- Statement of Comprehensive Income	3
- Statement of Financial Position	4
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General Purpose Financial Statements For the year ended 30 June 2017

Certification of Financial Statements

We have been authorised by the Council to certify the financial statements in their final form.

In our opinion:

- the accompanying financial statements comply with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June
 2017 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.

Mark Dowd

CHIEF EXECUTIVE OFFICER

Lorraine Rosenberg

MAYOR

Date: 24 October 2017

\$ '000	Notes	2017	2016
Income			
Rates Revenue	2a	127,289	122,327
Statutory Charges	2b	2,957	3,291
User Charges	2c	5,567	5,750
Grants, Subsidies and Contributions	2g	21,153	17,267
Investment Income	2d	67	85
Reimbursements	2e	1,265	1,283
Other Income	2f	2,164	1,619
Share of Operating Profit from Equity Accounted Investees	18	742	992
Total Income	-	161,204	152,614
Expenses			
Employee Costs	3a	63,656	60,074
Materials, Contracts and Other Expenses	3b	61,697	63,702
Depreciation, Amortisation and Impairment	Зс	31,703	27,620
Finance Costs	3d	3,404	3,463
Total Expenses	-	160,460	154,859
Operating Surplus / (Deficit)		744	(2,245
Asset Disposal and Fair Value Adjustments	4	(8,782)	(4,311
Amounts Received Specifically for New or Upgraded Assets	2g	3,966	2,104
Physical Resources Received Free of Charge	2h _	13,537	11,472
Net Surplus / (Deficit) 1	-	9,465	7,020
Other Comprehensive Income			
Amounts which will not be reclassified subsequently to operating result			
Changes in Revaluation Surplus	9a	91,927	270,501
Share of Other Comprehensive Income from Equity Accounted Investees	18		2
Total Other Comprehensive Income		91,927	270,503

¹ Transferred to Equity Statement

Date Printed: 16 November 2017

1 201		-5.00	(2002)
\$ '000	Notes	2017	2016
ASSETS			
Current Assets			
Cash and Cash Equivalents	5a	3,718	3,804
Trade and Other Receivables	5b	8,851	7,836
Inventories	.5c	39	38
Total Current Assets		12,608	11,678
Non-Current Assets			
Financial Assets	6a	420	365
Equity Accounted Investments in Council Businesses	6b, 18	11,037	10,295
Infrastructure, Property, Plant and Equipment	7a	2,080,507	1,976,894
Work in Progress	6c	30,216	23,931
Total Non-Current Assets		2,122,180	2,011,485
TOTAL ASSETS		2,134,788	2,023,163
LIABILITIES			
Current Liabilities			
Trade and Other Payables	8a	19,214	15,708
Borrowings	8b	6,485	4,956
Employee Benefits	8c	12,278	11,223
Total Current Liabilities		37,977	31,887
Non-Current Liabilities			
Trade and Other Payables	8a	2.0	5.4
Borrowings	8b	67,862	63,540
Employee Benefits	8c	1,527	1,706
Total Non-Current Liabilities		69,389	65,246
TOTAL LIABILITIES		107,366	97,133
Net Assets		2,027,422	1,926,030
EQUITY			
Accumulated Surplus		522,576	522,230
Asset Revaluation Reserves	9a	1,464,146	1,372,219
Other Reserves	9b	40,700	31,581
Total Council Equity		2,027,422	1,926,030

			Asset		
	A	Accumulated	Revaluation	Other	Total
\$ '000	Notes	Surplus	Reserve	Reserves	Equity
2017					
Balance at the end of previous reporting period		522,230	1,372,219	31,581	1,926,030
Net Surplus / (Deficit) for Year		9,465	- 1-	1-1	9,465
Other Comprehensive Income	7a	- 4	91,927	4	91,927
Share of OCI from Equity Accounted Investees	18	-		1.4	
Other Comprehensive Income	_	-	91,927		91,927
Total Comprehensive Income		9,465	91,927		101,392
Transfers between reserves		(9,119)		9,119	
Balance at the end of period		522,576	1,464,146	40,700	2,027,422
2016					
Balance at the end of previous reporting period		520,701	1,101,718	26,088	1,648,507
Net Surplus / (Deficit) for Year		7,020	1 4	1	7,020
Other Comprehensive Income	7a		270,501	-	270,501
Share of OCI from Equity Accounted Investees	18	2		-	2
Other Comprehensive Income		2	270,501	n -	270,503
Total Comprehensive Income	- 1	7,022	270,501	•	277,523
Transfers between reserves		(5,493)		5,493	
Balance at the end of period		522,230	1,372,219	31,581	1,926,030

Date Printed: 16 November 2017

\$ '000	Notes	2017	2016
Cash Flows from Operating Activities			
Receipts			
Rates Receipts		126,804	121,802
Statutory Charges		3,084	3,291
User Charges		6,024	6,325
Grants, Subsidies and Contributions		21,438	18,993
Investment Receipts		67	85
Reimbursements		1,392	1,411
Other Receipts		3,548	2,350
Payments			
Payments to Employees		(62,833)	(60,314
Payments for Materials, Contracts and Other Expenses		(61,121)	(67,404
Finance Payments		(3,415)	(3,472
Net Cash provided by (or used in) Operating Activities	18	34,988	23,067
Cash Flows from Investing Activities			
Receipts			
Amounts Received Specifically for New/Upgraded Assets		3,966	2,104
Sale of Replaced Assets		1,245	1,395
Repayments of Loans by Community Groups		12	12
Payments			
Expenditure on Renewal/Replacement of Assets		(34,211)	(21,807
Expenditure on New/Upgraded Assets		(11,953)	(8,348
Net Cash provided by (or used in) Investing Activities		(40,941)	(26,645
Cash Flows from Financing Activities			
Receipts			
Proceeds from Borrowings		9,031	5,999
Proceeds from Bonds and Deposits		16	1
Payments			
Repayments of Borrowings		(3,180)	(2,083
Repayment of Bonds and Deposits			(60
Net Cash provided by (or used in) Financing Activities		5,867	3,856
Net Increase (Decrease) in Cash Held		(86)	278
Cash and Cash Equivalents at beginning of period	5a	3,804	3,526
Cash and Cash Equivalents at end of period	5а	3,718	3,804
			-,

The above statement should be read in conjunction with the accompanying Notes and Significant Accounting Policies.

Date Printed: 16 November 2017

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

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Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies

1.1 The Local Government reporting entity

The City of Onkaparinga (the Council) is a not-for-profit organisation incorporated under the South Australian Local Government Act 1999 and has its principal place of business at Ramsay Place, Noarlunga Centre, South Australia. These financial statements include the Council's direct operations and all entities through which the Council controls resources to carry out its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

The principal accounting policies adopted by the Council in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied across all the years presented, unless otherwise stated. The nature of the operations and principal activities of the Council are described in the Chief Executive Officer and Mayor reports which form part of the annual report.

1.2 Basis of Preparation

1.2.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis and in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of South Australian Legislation.

The Council's financial statements were authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 24th October 2017.

The financial statements are presented in Australian dollars, being the functional currency of the Council. All values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

The financial statements provide comparative information with respect to the prior year period balances. When retrospective restatement is required under the Australian Accounting Standards, additional disclosures have been made accordingly.

1.2.2 Changes in accounting policy, disclosures, standards and interpretations

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The accounting policies adopted by the Council are consistent with those of the previous year.

1.2.3 Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following asset classes and disclosures:

- · Financial instrument disclosures
- Library Assets, Land and Buildings
- Infrastructure Assets

1.2.4 Classification of current and non-current

The Council presents its assets and liabilities in the statement of financial position based on current/noncurrent classification. An asset is current when it is:

- Expected to be realised or consumed in the normal operating cycle of the Council
- Expected to be realised within 12 months after the reporting period
- The asset is cash or a cash equivalent as defined under AASB 107 Statement of Cash Flows

All other assets are classified as non-current.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

A liability is current when it is:

- Expected or due to be settled in the normal operating cycle of the Council
- Due to be settled within 12 months after the reporting period
- No unconditional right to defer the settlement of the liability for at least 12 months after the reporting date

All other liabilities are non-current.

1.3 Use of estimates and judgements

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Council's accounting policies. These estimates and underlying assumptions are reviewed on an ongoing basis.

1.4 Transactions eliminated on consolidation

Unrealised surpluses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Council's interest in the investee. Unrealised deficits are eliminated in the same manner to the extent that there is no evidence of impairment.

1.5 Investment in jointly controlled entities

The Council participates in the ownership of two jointly controlled entities, the Southern Region Waste Resource Authority (SRWRA) and Council Solutions Regional Authority (CSRA). Jointly controlled entities are those whose activities the Council has joint control, established by way of contractual agreement. Significant influence is presumed to exist when the Council holds greater than 50% of the voting power of another entity. In addition, changes to financial and operational policies require unanimous consent by all parties of the jointly controlled entities.

The Council satisfies the three elements of control for SRWRA and CSRA as follows:

- Has the ability to direct activities that significantly affect the returns and outcomes of the authority through the agreement in place between the authority and the Council
- As a result of the agreement in place, the Council is exposed to variable returns and outcomes from the authority
- The Council has the ability to use its power and significant influence to affect the returns and outcomes derived from the authority

Department for Education and Childhood Development (DECD)

The Council has two agreements in place with DECD to provide library services within its region. Control as a result of the agreements is demonstrated by the following:

- Has the ability to direct activities that significantly affect the returns and outcomes of the libraries through the agreements in place between DECD and the Council
- The Council is exposed to variable returns and outcomes from the libraries operations and is entitled to assets upon dissolution or cessation of any agreement
- The Council has the ability to use its power and significant influence to affect the returns and outcomes derived by the libraries

The libraries involved as part of these joint ventures are Seaford and Aberfoyle Park.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

1.6 Basis of consolidation

The financial statements of the Council include the operating surplus or deficit and other comprehensive income of the equity accounted interest in SRWRA and CSRA. The inclusion of the equity accounted entities within the financial statements of the Council has occurred from the date significant influence commenced until the date that significant influence ceases.

Since the time of commencement, CSRA and SRWRA investments have been measured at cost. Subsequently, the carrying amount is adjusted to recognise the change in the Council's share of the net assets of the joint ventures since their acquisition date.

The Council's share of operating results in CSRA and SRWRA are reflected as part of the operating surplus or deficit. Where there is a change in the other comprehensive income of these joint ventures, this is reflected in the Council's other comprehensive income. Likewise, where there is a change that directly affects the equity of the joint ventures, these are reflected in the statement of changes in equity of the Council.

When the Council's share of the joint venture losses exceed its interest in the equity accounted investee, the carrying amount of that interest, including any long-term interests that forms part of it is reduced to zero. The recognition of further losses is discontinued except to the extent that the Council has a legal obligation to settle payments on behalf of the investee.

The joint ventures with DECD for the Aberfoyle Park and Seaford libraries are not accounted for using the equity method. There was no contributed equity from either party at the commencement of this ongoing venture and didn't result in the establishment of a separate entity.

The Council recognises a non-current asset for 50% of the buildings value and records non-current assets for the library materials located at both libraries. DECD facilitate grant funding to be paid to the Council as its part in the joint venture, while the Council pays wages and operating costs of the libraries with the grant monies. The activities of the libraries are reported as part of the overall operating activities of the Council.

The financial statements of the Council and those of the joint ventures are prepared for the same reporting period, using the same principal accounting policies.

1.7 Foreign currency

Transactions in foreign currencies are translated to the functional currency of the Council using the exchange rate on the date of transaction. The Council does not hold any assets or liabilities in foreign currencies.

1.8 Financial instruments

1.8.1 Non-derivative financial assets

The Council initially recognises loans and receivables on the date that they originated. All other financial assets are recognised initially on the trade date, which is the date that the Council becomes party to the contractual provisions of the instrument.

The Council derecognises its non-derivate financial assets when the contractual rights to the cash flows derived from the asset expires, or the Council's right to the contractual cash flows along with substantially all the risk and reward of ownership have transferred.

Financial assets and liabilities are offset and the net amounts presented in the statement of financial position only when the Council has a legal right to offset, and/or intends to settle them on a net basis.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

Financial assets at fair value through operating surplus or deficit

A financial asset is classified as at fair value through operating surplus or deficit when it is management's intention to hold the asset for trading, making purchase and sale decisions based on their fair value in accordance with the Council's documented risk management and investment strategy. Any transaction costs are recognised through the operating surplus or deficit. Annually, financial assets held at fair value through operating surplus or deficit are tested for impairment to ensure their carrying value does not exceed the residual value.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call deposits that are subject to an insignificant risk of changes in their fair value, and are used by the Council in the management of its short term commitments.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method less any impairment losses. An adequate allowance for doubtful debts is also recognised.

Loans and receivables comprise cash and cash equivalents, and trade and other receivables.

1.8.2 Non-derivative financial liabilities

The Council recognises its debt securities and loans on the date they originate. All other financial liabilities are recognised initially on the trade date, which is the date that the Council becomes a party to the contractual provision of the instrument. The Council derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Council classifies non-derivate financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents within the statement of cash flows.

1.8.3 Other financial instruments

The Council, in accordance with the *Local Government Act 1999* does not hold any other financial instrument (share capital, compound financial instruments and derivative financial instruments). In addition, the Council does not actively hedge its transactions beyond natural hedges that are established based on endorsed purchasing and sales.

1.9 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

Rendering of services

Council derives revenue through the provision of services having the nature of statutory charges, user charges and other charges. Given the nature of these services is for the provision over a short period (over the normal operating cycle of the Council), the stage of completion is largely 100%. Accordingly, revenue from the rendering of services is recognised in full as at balance date.

Construction contracts

Construction works undertaken by the Council for third parties are generally on an agency basis where the third party reimburses the Council for actual costs incurred, and usually do not extend beyond the reporting period. As there is no surplus component, such works are treated as 100% completed. Reimbursements not received are recognised as receivables and reimbursements received in advance are recognised as payments received in advance. Contract expenses are recognised as incurred unless they create an asset related to future contract activity.

Rental income

The Council derives rental income from its operating leases with community groups for the provision of facilities and services according to the contract. This rental income is accounted for on a straight-line basis over the lease term and is included in the operating surplus or deficit.

Distribution from equity accounted entities

Revenue is recognised when the Council's right to receive a distribution from the equity accounted entity is established, which is generally when the board members of a jointly controlled entity approves a distribution. Measurement of the distribution is based on the Council's entitlement to the board approved distribution.

Infrastructure property plant and equipment received from developers

The Council receives infrastructure and other assets during the year for nil consideration. The Council assesses on an individual basis whether the transferred item meets the definition of an asset and if so, recognises the transferred asset according to its nature. On initial recognition, its cost is measured at fair value and a corresponding amount is recognised as revenue in the period when the asset was received.

1.10 Government grants

Government grants are recognised when the grant or funding deed has been signed and the government department requests an invoice for payment from the Council. Grants received relate to a program or project conducted by Council and grants are initially recognised as deferred income. Recognition of this deferred income is on a systematic basis over the period that the Council incurs the expenditure related to the program or project.

During the reporting period, the Council received an advanced payment regarding the 2017-18 Commonwealth Financial Assistance Grant (FAG) of \$3,893,269 (nil in 2016-17). In accordance with AASB 1004 Contributions and the recommendation of the Local Government Association of South Australia, this has been reported as revenue in the 2016-17 financial year. Accordingly, the operating result of these periods has been distorted compared to those that would have been reported had the grants been paid in a consistent manner, or the payment been recognised as grant revenue received in advance.

1.11 Taxes

The Council, as a non-for-profit body is exempt from reporting and lodgement of income taxes under the *Income Tax Assessment Act 1997*.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

1.12 Inventory

Inventories are measured at the lower of cost or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less sale costs. The value of inventories is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

1.12.1 Goods and Services Tax (GST)

Revenues, expenses, assets and liabilities are recognised net of GST, except where:

- GST incurred on the purchase of an asset or service is not recoverable from the Australian Taxation
 Office (ATO) in which case the GST forms part of the cost
- · Receivables and payables are stated with the amount of GST included

The net amount of GST recoverable/payable is reflected in the statement of financial position and the resulting cash flows are included in the statement of cash flows on a gross basis. Commitments and contingencies are disclosed net of the amount of GST recoverable/payable to the ATO.

1.13 Assets held for sale

The Council recognises assets as held for sale when it no longer requires the benefits associated with ownership of the asset and the asset is available for immediate distribution in its present condition.

Immediately before classification as held for sale, the assets are remeasured in accordance with the Council's accounting policies. Thereafter, the assets are held at the lower of their written down value or fair value less costs to sell.

When assets are classified as held for sale, the assets are recorded as a current asset in the statement of financial position and the assets are no longer amortised or depreciated. Any surplus or deficit on disposal of an item held for sale is recognised in operating surplus or deficit.

1.14 Work in progress

Work in progress is recognised when the Council is currently constructing an asset which is not complete or operational at year end. This asset class is disclosed separately and is measured at cost.

1.15 Infrastructure, property, plant and equipment

1.15.1 Initial recognition

Items of Infrastructure, Property, Plant and Equipment (IPPE) are recognised on the basis of on-going future economic benefits flowing to the Council and are initially measured at cost. For assets acquired for no cost or nominal consideration, cost is determined as fair value at the date of acquisition.

The cost of the asset capitalised includes expenditure that is directly attributable to the acquisition and installation of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour
- Any other costs directly attributable to bringing the assets to a working condition for intended use
- When the Council has an obligation to remove the assets or restore the site, an estimate of the costs
 of dismantling, asset removal, site restoration and capitalised borrowing costs are included

When parts of an asset have different useful lives they are accounted for as separate items (components).

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

The Council has elected not to recognise land under roads acquired prior to 1 July 2008 as an asset in accordance with AASB 1051 Land under Roads. Land under roads acquired after 30 June 2008 has not been recognised, as in the opinion of the Council, it is not possible to reliably attribute a fair value to the asset.

Subsequent to initial measurement, all land, buildings, library materials and infrastructure assets are measured using the revaluation method. Under the revaluation method, the assets are recorded at fair value in accordance with the requirements of AASB 13 Fair Value Measurement less any subsequent accumulated depreciation and impairment deficits. Where an asset is not measured using the revaluation method, these assets are measured using the historical cost method.

1.15.2 Subsequent costs

Subsequent expenditure on an asset is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Council and the expenditure will extend the useful life of the asset. Where expenditure does not constitute ongoing future economic benefits and is not substantial in nature, the transaction is expensed through the operating surplus or deficit.

1.15.3 Revaluation

On an annual basis, the Council performs a review over its assets recognised at fair value. For Buildings, an annual revaluation is performed via a desktop review and for Infrastructure assets the application of updated unit rates are used. The unit rates are prepared internally using economic indicators, market data and historical trends which are reviewed and approved by Maloney Field Services.

The Council performs a comprehensive revaluation of its fair value assets in line with the *Local Government Act 1999*. The comprehensive revaluation involves a full condition assessment and revaluation of assets held at fair value. This comprehensive valuation occurs over a five year cycle as required by the Act.

Where the fair value is determined to be below the carrying value, an impairment adjustment is recognised against the revaluation reserve for that asset class and in other comprehensive income. However, where the impairment is greater than the revaluation reserve, the excess is recognised immediately as an impairment expense in the operating surplus or deficit.

During the period the Council identified and accounted for assets that had not been previously recorded as reliable information in relation to their existence and value was not available. These assets have been included based on their fair value at the date of identification and are disclosed as asset adjustments in the carrying amount movement schedule. Council acknowledges that there may be other similar assets remaining unrecorded but for which reliable information is not available at balance date.

1.15.4 Asset classes

The Council recognises the following asset classes as outlined in Note 7a:

Class of Asset	Valuation Method
Land and Buildings	Fair Value
Infrastructure	Fair Value
Library Books	Fair Value
Plant and Equipment	Historical Cost
Leased Assets	Historical Cost
Leasehold Improvements	Historical Cost
Other Assets	Historical Cost
Work in Progress	Historical Cost

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

1.15.5 Depreciation

All items are depreciated from the date the assets are installed or constructed and ready for use. Depreciation is measured to recognise the consumption of economic benefit within asset classes. This is done by using the straight line depreciation method for all asset classes, except for buildings which are depreciated using a pattern of consumption method. This consumption percentage will vary each year, this is performed by Australia Pacific Valuers Pty Ltd.

In accordance with the requirements of AASB 116 Property, Plant and Equipment the Council performs a review of method of depreciation, useful lives and residual values of its assets on an annual basis. This review resulted in no changes or adjustments being made to the useful lives and the remaining useful lives of individual assets.

The useful life is based on guidance from different infrastructure and asset bodies within Australia, local governments within South Australia and our best measurement from historical maintenance cost data. The estimated useful lives for the current and comparative years of significant items of IPPE are as follows:

Class of Asset	Material Type	Useful Life Estimate
Footpaths	Concrete/paved	40 to 80 years
	Other	10 to 25 years
Kerbing		80 years
Roads	Seal/surface	18 to 25 years
	Paved	80 years
	Base	100 years
Bridges		80 years
Water resources	Stormwater pipe network	80 to 100 years
	Culverts and channels	100 years
Bus stops	Shelters	20 to 35 years
Carparks	Sealed	85 years
	Unsealed	30 years
Coastal	Fencing, paths and beach access	10 to 30 years
	Rock revetment	100 years
Street lighting		20 years
Share use paths	Paved/concrete	40 to 80 years
	Other	10 to 25 years
Open space	Play equipment/park furniture	15 to 25 years
	Irrigation	30 to 50 years
	Sporting surfaces	20 to 30 years
Plant and Equipment		5 to 10 years
Furniture and Fittings		5 to 10 years
Buildings		CBD methodology

1.15.6 Capitalisation thresholds

Capitalisation thresholds have been established following due consideration of the requirements of AASB 116 Property, Plant and Equipment and the material impact if any on the economic decisions of the users of the financial statements. No capitalisation threshold is applied to the acquisition of land.

In determining and reviewing such thresholds, we consider the nature of the asset and its estimated service life. The capitalisation thresholds used by the Council for a range of assets are shown on the following page.

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Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

Class of assets	Threshold
Plant and Equipment	\$2,000
Buildings	\$5,000
Infrastructure Assets (Water Resources, Lighting, Open Space, Costal, Bus Stops, Paths, Curbs)	\$2,000
Infrastructure Assets (Roads, Bridges, Footpaths and Car parks)	\$5,000
Land Improvements	\$2,000
Leasehold Improvements	\$5,000
Other Assets	\$2,000

1.16 Investment property

Buildings that are leased out by the Council under operating lease arrangements are held to meet service delivery objectives rather than earn rental or capital appreciation. As a result, the Council does not recognise investment property as a class of assets in accordance with the requirements of AASB 140 Investment Property.

1.17 Intangible assets and goodwill

In accordance with the *Local Government Act 1999*, the Council is not in the business of acquiring subsidiaries and deriving income through a transformation and sales process. Accordingly, goodwill does not arise upon the acquisition of subsidiaries and is not present with regards to intangible assets.

The Council does not recognise intangible assets for any of the branding or research performed during infrastructure projects as it is not in the business of acquiring and selling these assets.

1.18 Impairment

1.18.1 Non-derivative financial assets

A financial asset is impaired where there is objective evidence both internal and external which indicates impairment as a result of one or more events that occurred after the initial recognition of the asset. In addition, this event(s) had an impact on the estimated future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired include default or delinquency of debtors, adverse changes in the payment status of borrowers or issues, economic condition that correlate with defaults or the disappearance of value within a market.

A financial asset not classified as at fair value through operating surplus or deficit, including an interest in an equity accounted investee, is assessed at each reporting date to determine whether there is objective evidence of impairment.

1.18.2 Financial assets measured at amortised cost

The Council considers evidence of impairment for financial assets measured at amortised costs (loans and receivables) at the individual asset level. Where an asset is not individually significant these are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Council uses historical trends for the probability of default, timing of recoveries and the amount of deficit incurred. This is further refined using management's judgement as to whether current economic and credit conditions are such that the actual deficits are likely to be greater or lesser than suggested by historical trends.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

1.19 Trade and other payables

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid by the end of the month after the invoice is received. No interest is payable on these amounts.

Amounts received in advance from external parties for service delivery and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded.

1.20 Leases

1.20.1 Determining whether an arrangement contains a lease

The determination of whether an arrangement contains a lease is based on the substance of the arrangement at the inception date. This judgement is based on the following two criteria:

- The fulfilment of the arrangement is dependent on the use of a specific asset or assets
- . The arrangement contains a right to use the assets

1.20.2 Council as a lessee

Finance leases that transfer substantially all the risks and benefits of ownership are capitalised at the commencement of the lease at the fair value of the leased asset, or if lower at the net present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised as a finance cost in the operating surplus or deficit.

Assets held under a finance lease are depreciated over the shorter of the assets useful life or the duration of the lease agreement. However, if there is reasonable certainty that the Council will obtain ownership by the end of the lease term, the asset is depreciated over the useful life of the asset.

Payments made under operating leases are recognised in operating surplus or deficit on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

1.20.3 Council as lessor

Leases in which the Council does not transfer substantially all the risks and benefits of ownership are classified as operating leases. Initially direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased assets and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

1.21 Employee benefits

1.21.1 Short term employee benefits

Short term employee benefit obligations are amounts expected to be paid where a present legal or constructive obligation to pay this amount is a result of past service provided by the employee, with the obligation being estimated reliably. The liabilities such as annual leave, time off in lieu (TOIL) and a portion of long service leave, which are expected to be settled within 12 months are recognised as current liabilities and measured at the value expected to be paid in order to settle the liability.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

Where a short term employee benefit is assessed as being paid during a period in excess of 12 months, in accordance with AASB 119 Employee Benefits actuarial methods are used to measure the liability which is classified under non-current liabilities.

Sick leave is not recognised as a liability by the Council as this benefit is non-vesting under the different Enterprise Bargaining Agreements (EBA) of staff. In addition it is management's assertion, based on historical trends that staff will take their sick leave within the year that it is provided.

1.21.2 Long term employee benefits

Long term employee benefits are the Council's legal obligations other than contributed and defined benefit plans, such as long service leave that have resulted from services rendered by the employee in the current and prior periods. The liability for long service leave is recognised and measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date.

Consideration is given to the expected future wages and salary levels, history of employee departures and periods of service. The inflation rate applied is based on the EBA, while the discount rate applied is the Australian Commonwealth Bond rate at various points in the future. Where a surplus or deficit is recognised from the benefit calculation, these adjustments are recognised in the operating surplus or deficit in the period in which they arise.

1.21.3 Post-employment benefits

The Council makes employer superannuation contributions in respect of its employees to Statewide Super. The Scheme has two types of memberships, each of which is funded differently. Permanent and contract employees in the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009, have the option to contribute to Marketlink and/or Salarylink. All other employees (including casuals) have all contributions allocated to Marketlink.

No changes in accounting policy have occurred during either the current or previous reporting periods.

Marketlink (Accumulation Fund) Members

Marketlink receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with superannuation guarantee legislation (9.5% in 2016-17, 9.5% in 2015-16). No further liability is accrued as the superannuation benefits accruing to employees are represented by their share of the net assets of the fund.

Salarylink (Defined Benefit Fund) Members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Council makes employer contributions to Salarylink as determined by the Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2015-16) of 'superannuation' salary.

In addition, the Council makes a separate contribution of 3% of salary for Salarylink members to their Marketlink account. Employees also make member contributions to the fund. As such, assets accumulate in the fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink scheme is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by each employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119 paragraph 32(b), the Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Council's contribution rates at some future time.

Contributions to other superannuation schemes

The Council also makes contributions to other superannuation schemes selected by employees under the 'choice of fund' legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme. No further liability is attributable to the Council.

1.21.4 Termination benefits

There were no termination benefits outstanding as at the end of the current or prior reporting periods.

1.22 Provisions

1.22.1 General provisions

A provision is recognised if, as a result of a past event, the Council has a present legal or constructive obligation that can be measured reliably, and it is probably that an outflow of economic benefits will be required to settle the obligation.

Provisions are measured by discounting, where required, the expected future cash flows that reflect current market assessments of the time value of money and the risks specific to the liability.

1.23 Loans and borrowings

Loans are carried at their amortised cost in accordance with AASB 139 Financial Instruments, measured at the present value of future cash flows associated with servicing the debt and interest is accrued over the period to which it relates.

1.24 Finance income and finance costs

Finance income comprises interest income on funds invested, dividend income, fair value gains and net gains previously recognised in other comprehensive income. Interest income is recognised as it accrues through operating surplus or deficit using the effective interest rate method. Distributions from equity accounted entities are recognised in operating surplus or deficit on the date that the Councils right to receive payment is established.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, deficits on financial assets held at fair value and impairment deficits recognised on financial assets.

1.25 Fair value measurement

The Council measures financial instruments and non-financial asset and liabilities at fair value at each balance date. In accordance with AASB 13 Fair Value Measurement, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In determining this fair value, it's presumed that the transaction takes place in either:

- · The principal market for the asset or liability
- Where there is no principal market for the asset or liability, in the most advantageous market deemed acceptable to the Council

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

In determining the fair value, market assumptions behind the highest and best use of an asset are used, taking into consideration the physically possible, legally permissible and financially feasible uses of the asset by the market participants. This valuation premise is based on the nature and characteristic of the asset which may derive its maximum value to market participants, either on a stand-alone basis or through its use in combination with other assets and liabilities.

Where an asset is not being used for its highest and best use, as determined by market participants in light of the physically possible, legally permissible and financially feasible nature of an asset; the sub-optimal use of an asset and its associated fair value is as a result of the restrictions placed on such assets under the *Local Government Act 1999*, the supporting regulations and as a result of the services which the Council is mandated to provide.

1.25.1 Fair value calculations and techniques

When calculating the fair value, the Council has used valuation techniques that take into consideration the specific characteristics of the asset or liability as determined by market participants. The three valuation techniques are used as follows:

- Market approach: when the asset is traded in an active market with publically accessible rates, and
 maximises the use of observable data (Small Technology Credits associated with the installation of
 solar panels)
- Income approach: where the fair value of the asset is a cash generating unit of the Council and would be considered by market participants to produce an income stream (commercial buildings)
- Cost approach: reflects the cost associated with acquiring an asset of similar service capacity and future economic benefit (non-financial assets measured at current replacement cost)

1.25.2 Level of hierarchy

In determining the fair value of financial and non-financial assets and liabilities, the Council has maximised the use of relevant observable inputs while minimising the level of non-observable inputs. In doing so, the Council has categorised assets and liabilities based on the nature, characteristics and risks associated with the asset or liability, and the fair value hierarchy established under AASB 13 Fair Value Measurement.

- Level 1: quoted prices in an active market for identical assets and liabilities that the Council can
 access at the measurement date
- Level 2: inputs other than quoted prices that are observable either directly or indirectly
- Level 3: unobservable inputs such as unit rates, assumptions on output and asset use restrictions

It is our belief that financial instruments utilise both observable and unobservable inputs and are therefore categorised into level 2 and 3.

The majority of the Council's non-financial assets have no active market, income generating stream and restricted in use. These assets have been disclosed as level 3 items. Where an asset has recently been constructed for which observable inputs are available, these assets have been classified as level 2, until they are revalued and then will be recognised as level 3 assets.

1.26 New standards and interpretations

1.26.1 AASB 9 Financial instruments

AASB 9 Financial Instruments (2009) and the modifications in 2010 introduced new requirements for classification and measurement of financial assets. A review of the requirements is being performed which could see additional amendments to AASB 9 (2010) prior to the effective date of 1 January 2018.

Notes to and forming part of the Financial Statements For the period ended 30 June 2017

Note 1. Summary of Significant Accounting Policies (continued)

1.26.2 AASB 15 - Revenue from contracts with customers and associated amending standards

AASB 15 introduces a five step process for revenue recognition with the core principle of the new Standard being that entities recognise revenue so as to depict the transfer of goods or services to customers in amounts that reflect the consideration which the entity expects to be entitled in exchange for those goods or services.

The changes in revenue recognition requirements in AASB 15 may cause changes to accounting policies relating to the timing and amount of revenue recorded in the financial statements as well as additional disclosures. AASB 15 will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts.

The effective date of this standard was for annual reporting periods beginning on or after 1 January 2018, but this has been pushed back further to 1 January 2019 for not-for-profits as per AASB 2016-7.

1.26.3 AASB 124 - Related party disclosures

This year Council has applied AASB 124 Related Party Disclosures for the first time. As a result Council has disclosed more information about related parties and transactions with those related parties. This information is presented in Note 21 to the financial statements.

1.26.4 AASB 16 - Leases

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117 Leases and related Interpretations. AASB 16 Leases introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases and introduces a corresponding lease asset in the financial records of the lessee.

Although it is anticipated that the adoption of AASB 16 Leases will have a material impact on the financial statements, it is impracticable at this stage to provide a reasonable estimate of such impact This Standard will be applicable to annual reporting periods beginning on or after 1 January 2019.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

1111			1271
\$ '000	Notes	2017	2016
(a) Rates Revenues			
General Rates			
General Rates		121,684	116,898
Less: Mandatory Rebates		(1,391)	(1,327)
Less: Discretionary Rebates, Remissions and Write Offs		(72)	(68)
Total General Rates	7-	120,221	115,503
Other Rates (Including Service Charges)			
Natural Resource Management Levy		2,643	2,496
Community Wastewater Management Systems		2,844	2,737
Separate and Special Rates		678	673
Total Other Rates		6,165	5,906
Other Charges			
Penalties for Late Payment		644	610
Legal and Other Costs Recovered		259	308
Total Other Charges		903	918
Total Rates Revenues		127,289	122,327

The Council uses valuations provided by the Valuer General (VG) as the basis of its rate calculations. In addition, other fixed charges and separate rates that support the planning, carrying out, and making available supporting activities that benefit the occupiers of the land or area are derived from VG values, inflation rate and other economic data modelled to avoid inappropriate taxation.

The Council charges separate rates for wastewater and other services prescribed by the regulations for the benefit of occupiers of land and visitors to the Council area. These additional service charges are based on the nature of the service, level of usage of the service and other factors. Rebates are granted on the grounds established in division 5, section 159 of the *LGA 1999*. These rebates are based on the use of the land be it for health, community, religious or educational services.

The Natural Resource Management (NRM) Levy is a State Government tax collected by the Council. The Council is required to collect this contribution back from property owners through a separate rate based on capital value. The contribution from property owners has been included above and the contribution from the Council to the Government has been included in Note 3b(iii).

(b) Statutory Charges

Total Statutory Charges	2,957	3,291
Rate Searches	325	306
Other Licences, Fees and Fines	215	208
Parking Fines / Expiation Fees	193	148
Animal Registration Fees and Fines	856	1,311
Health and Septic Tank Inspection Fees	97	102
Development Act Fees	1,271	1,216

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Statutory Charges are established under the *LGA 1999* and reviewed annually for consistency and value appropriateness. This review is based on movements in the weighted average group inflation rate for the reigons as provided by the Australian Bureau of Statistics. In addition, the Council utilises movements in the fees from adjoining local governments and cash rates as provided by the Reserve Bank of Australia.

This review ensures that the fees charged are recoverable, providing the appropriate funding to cover the expenses borne by the Council in providing the services, whilst not being prejudicial to those whom live and work within the City of Onkaparinga.

(c) User Charges

Total User Charges	5,567	5,750
Total Commercial Activities Income	4,143	4,468
Recreation Centre Income	771	759
Water Business Unit Sales	720	1,064
Tourist Parks	1,408	1,251
McLaren Vale Visitor Centre	476	617
Golf Course	455	481
Commercial Property Leases	313	296
Commercial Activities Income		
Total General User Charges	1,424	1,282
Other User Charges	118	95
Waste Management Fees	278	241
Positive Ageing Facilities	109	102
Permits and Licences	131	122
Libraries	64	66
Immunisation Services	59	60
Community Facilities	357	286
Community Bus	44	39
Beach Ramp Fees	101	110
Arts Centre	109	113
Cemetery	54	48
General User Charges		

User charges are established under the *LGA 1999* and are based on the cost incurred by the Council to provide the service to the community. These fees are reviewed annually in light of the movements in the weighted average group inflation rate for the municipal area.

The Water Business Unit (WBU) operates a network of water retention, treatment and recirculation facilities that distributes its water for use in the Council area or back to SA Water. In early 2014, the WBU achieved operational completion of its network and received confirmation of its licences. Operations of the WBU are regulated by the Essential Services Commission of South Australia (ESCOSA).

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

\$ '000	2017	2016
(d) Investment Income		
Loons to Community Crayes	9	10
Loans to Community Groups		
	58	75
Loans to Community Groups Term and Other Deposits Total Investment Income The Council, under its treasury management policy, deposits re(LGFA) whom, in light of the terms and conditions provide the	onies with the Local Government Finance	85
Term and Other Deposits Total Investment Income The Council, under its treasury management policy, deposits respectively.	onies with the Local Government Finance	85
Term and Other Deposits Total Investment Income The Council, under its treasury management policy, deposits in (LGFA) whom, in light of the terms and conditions provide the	onies with the Local Government Finance	85
Term and Other Deposits Total Investment Income The Council, under its treasury management policy, deposits in (LGFA) whom, in light of the terms and conditions provide the (e) Reimbursements	onies with the Local Government Finance reatest return to the Council.	85 e Authority
Term and Other Deposits Total Investment Income The Council, under its treasury management policy, deposits re(LGFA) whom, in light of the terms and conditions provide the (e) Reimbursements Private Works	onies with the Local Government Finance reatest return to the Council.	85 e Authority

(f) Other Income

Insurance and Other Recoupments	1,626	1,181
Rebates Received	3	
Sundry	535	438
Total Other Income	2,164	1,619

Other income of Council is largely derived from insurance claims, and returns from the Local Government Association (LGA) following the year end adjustment to insurance premiums for income protection, workers compensation and the reimbursement of asset insurance premiums.

(g) Grants, Subsidies and Contributions

Total	25 119	19 371
Other	1,684	2,071
State Government	15,023	8,876
Commonwealth Government	8,412	8,424
Sources of grants		
The functions to which these grants relate are shown in Note 12.		
Total Grants, Subsidies, Contributions	25,119	19,371
Other Grants, Subsidies and Contributions	21,153	17,267
Amounts Received Specifically for New or Upgraded Assets	3,966	2,104

At the date of certifying these financial statements, the Council does not have any substantially unfulfilled grant funding requirements.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 2. Income (continued)		
\$ '000	2017	2016

The Council applies for and obtains grant income that is used for capital and operational purposes. In the current year, a \$3,893,269 advanced payment was received from the SA Local Government Grants Commission in respect to our 2017-18 Commonwealth Financial Assistance Grant (FAG) (nil in 2015-16).

This payment has not been recognised as revenue received in advance as an across local government ruling from the Local Government Association (LGA) determined a consistent approach across all Council's. This approach was to recognise revenue when the amount was received.

(h) Physical Resources Received Free of Charge

Infrastructure Assets

Total Physical Resources Received Free of Charge	13,537	11,472
Library Materials	535	539
Other Assets		
Open Space	133	75
Stormwater Drainage	7,495	6,148
Roads, Kerbing, Bridges, Footpaths and Carparks	5,374	4,710

As a result of development by independent and related parties within the municipal area of the Council, assets are gifted to the City of Onkaparinga. These are largely infrastructure in nature following development of new housing estates.

Additional resources are provided free of charge to the Council through its relationship with the Public Libraries of Australia.

Note 3. Expenses		
(a) Employee Costs		
Salaries and Wages	46,786	44,192
Employee Leave Expense	8,301	7,800
Superannuation	5,090	4,826
Workers' Compensation Insurance	2,539	2,402
Other	940	854
Total Employee Costs	63,656	60,074
Total Number of Employees (full time equivalent at end of reporting period)	691	684
(b) Materials, Contracts and Other Expenses		
(i) Prescribed Expenses		
Elected Members' Expenses	622	617
Electoral Roll Maintenance	48	46
Subtotal - Prescribed Expenses	670	663

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

\$ '000	2017	2016
(ii) Administrative Expenses		
Legal Expenses	615	633
Advertising	381	356
Other Expenses	193	1,044
Postage and Freight	531	450
Venue Hire	23	
Office Supplies	325	163
Subscriptions and Memberships	352	323
Communications	792	768
Staff Training and Development	423	314
Auditors Remuneration	32	32
Subtotal - Administrative Expenses	3,667	4,083
(iii) Levies and Fees Paid to Government		
Dog and Cat Management Board	200	295
[7] [47] [11] [13] [14] [15] [15] [15] [15] [15] [15] [15] [15	2,610	2,462
Natural Resource Management Board Other Levies	594	133
Subtotal - Levies and Fees Paid to Government	3,404	2,890
(iv) Operational Expenses		
	126	128
Agency Costs - Rates Income Collection Bad and Doubtful Debts	13	14
	388	351
Bank Fees and Charges	261	310
Debt Recovery Costs	1.3.5.1	
Goods Purchased for Resale	152	4.
ICT Software and Maintenance	1,359	1,528
Donations and Grants Given	3,532	3,968
Energy	3,746	3,706
Fuel and Lubricants	1,358	1,312
Insurance	1,472	1,449
Minimum Lease Payments	1,516	994
Vehicle Registration	339	331
Water Usage	1,119	1,594
Subtotal - Operational Expenses	15,381	15,726
(v) Materials and Contractors		
Contractors	28,164	30,260
External Plant Hire	243	170
Consultants	2,165	2,265
Contract Employees	2,767	2,168
Other Materials	5,236	5,477
Subtotal - Materials and Contractors	38,575	40,340
Total Materials, Contracts and Operational Expenses	61,697	63,702

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

\$ '000	Notes	2017	2016
(c) Depreciation, Amortisation and Impairment			
(i) Depreciation and Amortisation			
Infrastructure		24,970	21,280
Plant and Equipment		3,220	3,046
Library Books		791	672
Land and Buildings		2,451	2,368
Leasehold Improvements		261	138
Other Assets		10	10
Total Depreciation and Amortisation	7a	31,703	27,514
(ii) Impairment			
Infrastructure		-	106
Total Impairment			106
Total Depreciation, Amortisation and Impairment		31,703	27,620
(d) Finance Costs			
Interest on Overdraft and Short-Term Drawdown		1,440	1,237
Interest on Loans and Borrowings		1,964	2,226
Total Finance Costs		3,404	3,463
Note 4. Asset Disposal & Fair Value Adjustments			
Proceeds from Disposal		1,245	1,395
Less: Carrying Amount of Assets Disposed		(10,027)	(5,706
Gain (Loss) on Disposal		(8,782)	(4,311

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 5. Current Assets		
\$ '000	2017	2016
(a) Cash & Cash Equivalents		
Cash on Hand at Bank	110	239
Deposits at Call	3,608	3,565
Total Cash & Cash Equivalents	3,718	3,804

Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Council, and earn interest at the applicable short-term deposit rates.

(b) Trade & Other Receivables

Rates	4,820	4,402
Accrued Revenues	325	361
Debtors - General	1,751	1,468
GST Recoupment	689	667
Prepayments	1,142	916
Loans to Community Organisations	12	12
Sundry	54	63
Infringements	84	71
Subtotal - Trade and Other Receivables	8,877	7,960
Less: Allowance for Doubtful Debts	(26)	(124)
Total Trade and Other Receivables	8,851	7,836

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

As at 30 June 2017 trade receivables of \$26,000 (2016: \$124,000) were being provided for. See below for the movements in the provision for doubtful debts.

Balance at the beginning of the year	124	145
Amounts written off during the year as uncollectable	(94)	(7)
Reduction in provision recognised as income during the year	(4)	(14)
Total Allowance for Doubtful Debts	26	124

In determining the recoverability of trade receivables, the Council considers any changes to the credit quality of the customer. The impact of credit risk is limited due to the fact that the Council's rates, fees, charges and fines are all legally enforcable and have cause for restitution through the sale of property or arbiration where required.

(c) Inventories

Materials and Supplies	39	38
Total Inventories	39	38

The Council acquires inventories for use in its places of business and during the provision of its services to the community.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 6. Non-Current Assets			
\$ '000	Notes	2017	2016
(a) Financial Assets			
Receivables			
Rates		297	230
Loans to Community Organisations		123	135
Total Receivables		420	365
(b) Equity Accounted Investments in Council Businesses			
Southern Region Waste Resource Authority (SRWRA)	18	10,949	10,194
Council Solutions Regional Authority (CSRA)	18	88	101
Total Equity Accounted Investments in Council Businesses		11,037	10,295
(c) Work in Progress			
Work in Progress		30,216	23,931
Total Work in Progress		30,216	23,931

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 7a Infrastructure, Property, Plant and Equipment

		Asset Movements during the Reporting Period														
\$ '000	as at 1/7/2016		Asset Additions		1000		Impairment				as at 30/6/2017					
	At Fair Value	At Cost	Accum Dep'n	Carrying Value	New / Upgrade	Donated	WDV of Asset Disposals	3c)	(recognised	Found Assets		Net Revaluation Movements	At Fair Value	At Cost	Accum Dep'n	Carrying Value
Capital Work in Progress	-	23,931		23,931	40,495			7.4		-	(34,210)	-	-	30,216		30,216
Infrastructure	1,725,276	16,745	(513,226)	1,228,795		13,002	(8,927)	(24,970)		21,405	31,511	62,969	1,800,297	31,511	(508,023)	1,323,785
Plant and Equipment	100034	42,977	(29,980)	12,997	5,379	0.00	(1,100)	(3,220)	1.4	-	444		1000	44,077	(30,021)	14,056
Library Books	5,053	4	(2,808)	2,245	134	535	200	(791)		1-0	/-	285	5,610	-	(3,202)	2,408
Land and Buildings	752,129	634	(20,793)	731,970	155			(2,451)		1.0	481	7,268	758,796	155	(21,528)	737,423
Leasehold Improvements		1,889	(1,356)	533	100			(261)		-	2,218			4,107	(1,617)	2,490
Other Assets	-	1,095	(740)	355	-	-		(10)		-	100	1.4	-	1,095	(750)	345
Total Infrastructure, Property, Plant and Equipment	2,482,458	87,271	(568,903)	2,000,826	46,163	13,537	(10,027)	(31,703)		21,405		70,522	2,564,703	111,161	(565,141)	2,110,723

	- 12 / 2 / 2 / 2 / 2 / 2 / 2 / 2 / 2 / 2			Asset Movements during the Reporting Period							7777					
\$ '000	as at 1/7/2015		Asset Additions			200000	Impairment				as at 30/6/2016					
	At Fair Value	At Cost	Accum Dep'n	Carrying Value	New / Upgrade	Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	xpense (Note (recognised	Found Assets	WIP Transfers	Net Revaluation Movements	At Fair Value	At Cost	Accum Dep'n	Carrying Value
Capital Work in Progress	-	16,943	1	16,943	25,867	-	-	-	-	-	(18,879)	-	-	23,931	-	23,931
Infrastructure	1,415,805	- 4	(454,387)	961,418	1 1 2	10,933	(4,739)	(21,280)	(106)		16,745	265,825	1,725,276	16,745	(513,226)	1,228,795
Plant and Equipment	100000	42,833	(29,425)	13,408	3,580	1 11 11 11 11	(945)	(3,046)	0.62		-	-	200	42,977	(29,980)	12,997
Library Books	3,981	0.774	(2,285)	1,696	119	539	-	(672)	5-	- 2	-	563	5,053	10.74	(2,808)	2,245
Land and Buildings	743,573	4,584	(20,459)	727,698	579	-	(21)	(2,368)			1,969	4,113	752,129	634	(20,793)	731,970
Leasehold Improvements		1,724	(1,218)	506	-		100	(138)	-		165		647.053	1,889	(1,356)	533
Other Assets	-	1,084	(730)	354	11			(10)						1,095	(740)	355
Total Infrastructure, Property, Plant and Equipment	2,163,359	67,168	(508,504)	1,722,023	30,156	11,472	(5,705)	(27,514)	(106)		-	270,501	2,482,458	87,271	(568,903)	2,000,826

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment

(i) Valuation of Assets

At 1 July 2004 upon the transition to the Australian International Financial Reporting Standards (AIFRS), Council elected pursuant to AASB 1.19 to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Land & Land Improvements

Freehold land and land over which the Council has control, but does not have title, is recognised at fair value. No capitalisation threshold is applied to the acquisition of land or interests in land. Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised at fair value measured on the basis of written down current replacement cost. The capitalisation thresholds are detailed in Note 1.15.6.

Buildings

Buildings are recognised at fair value, measured through the combination of market value and written down current replacement cost. A comprehensive revaluation was undertaken by Australia Pacific Valuers Pty Ltd during the financial year ended 30 June 2017, resulting in a net increase in the carrying amount of building assets by \$7.2 million (2016: \$4.1 million increase).

Infrastructure

All categories of infrastructure assets are recognised at fair value and measured using written down current replacement cost. The capitalisation thresholds are detailed in Note 1. In accordance with the Council's policy (refer Note 1.15.3 revaluation), Council staff undertake a review of asset valuations on an annual basis to ensure that the carrying amount of the assets does not differ materially from that which would be determined using fair value at the reporting date.

In addition, a review of the inputs and assumptions used in deriving the depreciated replacement cost was performed in accordance with AASB 13 Fair Value Measurement and AASB 116 Property, Plant and Equipment.

As a result of this review adjustments have been made in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors to account for the prospective change in the depreciation charge. The annual valuation review resulted in a net increase in value of the infrastructure assets by \$70.1 million through revaluation and \$21.4m of found assets (2016: \$265.8 million increase).

Furniture & Equipment

Furniture and equipment are recognised on a historical cost basis and measured at cost less accumulated depreciation and impairment.

Library Materials

Library books and other lending materials are capitalised in bulk, and revalued annually by the Council staff based on unit rates and estimated useful lives recommended by PLAIN (Public Libraries Automated Information Network).

(ii) Work in progress

The Council expense funds during the year for the construction of major projects that will result in infrastructure and other assets of enduring nature. Where an asset under construction is not yet operational or practically complete the expenditure incurred has been classified under capital work in progress.

When an asset under construction is completed under the requirements of AASB 116 Property, Plant and Equipment, the Council will capitalise the asset under the appropriate category of IPPE.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment (continued)

(iii) Impairment of non-financial assets

In accordance with AASB 136 Impairment of Assets, the Council undertakes an annual review of its asset base to determine whether there is any indication that any asset may be impaired. An impairment loss is recognised as an expense for the amount by which the asset's carrying amount exceeds its recoverable amount or value in use (which is taken to be the written down current replacement cost), being in excess of the asset class revaluation reserve.

Impairment indicators considered include obsolescence or physical damage, change in asset use, economic performance of asset worse than expected, significant adverse changes in the external environment or cessation of the demand or need for the services provided by the asset.

The impairment review undertaken during June 2017 did not identify any impaired assets (2016: \$106,000).

(iv) Fair value of non-financial assets

Valuation techniques used to derive fair values of non-financial assets

Recurring fair value measurements

In determining the valuation of non-financial assets measured at fair value, following the determination of highest and best use the Council has maximised the use of observable inputs during the calculations given the nature and characteristics of the asset. These inputs are consistent with the characteristics market participants would take into account in an orderly transaction in the principal market (most advantageous market in the absence of a principal market) for the non-financial asset given the financial, legal, and physical possibilities. The Council has used consistent inputs for the classes of assets based on their nature, characteristics and associated risks.

Infrastructure assets classified as Level 2:

The Council has classified several land and building assets as level 2 items based on the availability of direct and indirect price inputs other than quoted prices on an active market.

Land assets classified as level 2:

Level 2 valuations have been performed for some Freehold Title land where there are limited restrictions regarding the treatment of the land or restrictions that would be passed on with the sale of the asset. Inputs to the market approach for land valuations has been sales prices of comparable land sites adjusted using professional judgement to take into consideration characteristics of size, nature and location.

Where land has been recently acquired we have used the cost method in determining the fair value. We believe the costs incurred for these recently acquired assets to be materially correct and reflect a true and fair observable market evidence for the replacement cost.

Buildings classified as level 2:

Level 2 valuation inputs were used to determine the value of several residential and commercial buildings which did not have restrictions on their use, for example limited zoning and no legal restrictions. In determining the valuation

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment (continued)

of these buildings the Council has used the market approach utilising professional judgement in determining the sale prices of comparable properties after adjusting for differences in key attributes such as property size, construction, etc. Where a building has been recently constructed we have used the cost method in determining the fair value. We believe the costs incurred to be material and a true and fair reflection of the observable market evidence of the replacement cost.

Land assets classified as level 3:

The bulk of the Council's land assets are of a level 3 fair value due to the specialised nature of the land. These assets have been valued using an approach that significantly alters market values based on unobservable inputs. Inputs to their valuation have been costs incurred adjusted for indices and other assumptions.

Buildings classified as level 3:

The bulk of the Council's buildings are specialised in nature, with no market of similar assets providing services that are mandated under acts of government which restricts the legal possibility of alternative higher and better uses. As such we believe the valuation to be determined based on the assets current use, although sub-optimal as determined by market participants. We have valued specialised buildings using the cost approach as it is our belief that there are no comparable assets nor an identified income stream generated by the asset.

Infrastructure assets classified as level 3:

The Council has classified Land, Building and Infrastructure assets as level 3 based upon the restrictions surrounding their use, the unobservable nature of the inputs regarding their fair value and the absence of an active market in which to sell the assets.

All infrastructure assets of the Council have been valued using the cost approach. This is due to it being our professional judgement that no principal or advantageous market exists for these assets nor have we been able to identify an income stream generated from these assets. Accordingly, the Council has largely used historical cost data adjusted for various assumptions and applied indices in determining unit rates that are consistent with the expectations of the market participants. These have included first principal analysis, cost data (including materials, labour, plant and sundry items) from recent construction, the Consumer Price Index (CPI) and Producer Price Index (PPI).

These assumptions and resulting unit rates are reviewed by the independent valuer Maloney Field Services for accuracy with reference to benchmark rates from other local Council's, Rawlinson's Construction handbook, civil supply companies and recent infrastructure projects. Given there are different assumptions behind the different infrastructure types due to their unique nature and characteristics we have detailed the different classes below.

Roads

Input to the valuation of roads have included the nature of the road, for example local roads through to arterial roads, the thickness of the sub-base, road base and surface for the different types of roads, the G6 (now CSRA) pricing structure for the various depths, build-up of real-life costs and the legislative construction requirements for the road based on nature and classification which Maloney Field Services has used to review our submitted road cross section diagrams.

Kerbing

Input to the valution of kerbing has included the construction requirements of AS 2876-2000, and the historical buildup of real-life costs. Recent kerbing has been machine laid using new techniques which has resulted in the decrease of kerbing unit prices.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment (continued)

Footpath

Input into the valuation of footpaths have included the characteristic of the footpath, for exapmple asphalt, concrete or paved, the dimensions of construction as diagrammed and sent to Maloney Field Services and the historical build-up of cost data.

Water Resources

Input to the valuation of Water Resources has included the standard AS 1181 Civil Engineering Method of Measurement surrounding drainage. This has included the various expenses and costs associated with the lifecycle of water resource planning, design, construction, and completion.

Following much discussion between various Council personnel and external advisors, the City of Onkaparinga resolved to adopt a different approach to the application of unit rates for Water Resource assets in the 2015-16 financial year. In previous years Council calculated unit rates on what are known as "Greenfields" rates which assumed development of englobo land. It is however the case that Council's asset renewal programs are (more often than not) undertaken under "Brownfields" conditions which involves a number of additional activities/costs such as working in confined areas, allowance for preparation and disposal of excavated materials, reinstatement on completion, traffic control and service alterations. As a result of these changes the unit rates for pipes and culverts have increased significantly.

Bridges

Bridges are not based on unit rates. Bridges are based on the historical costs associated with the construction of the individual bridges adjusted for movements in CPI/PPI and associated input costs.

Bus Stops

Inputs to the valuation of Bus Stops have included the historical build-up of real-life costs data associated with the assumption that all future shelters are to be replaced with steel material as timber and plastic types are obsolete technologies. The historical cost data has been adjusted for CPI/PPI.

Coastal

Inputs to the valuation of Coastal have included recent construction programs, contracts and current cost structures. This data has been adjusted by CPI/PPI in deriving a unit rate.

Carparks

Inputs to the valuation of Carparks have included construction dimensions as required under civil regulations, historical build-up of real-life costs data, and G6 (now CSRA) costing for inputs.

Lighting

Inputs to the valuation of Lighting has included the historical build-up of real-life costs data from recent projects and capital works.

Open Space

The input to the valuation of Open Space has included the historical build-up of real-life costs data from project and capital works which have been adjusted by CPI/PPI.

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Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment (continued)

(v) Recognised fair value measurements for non-financial assets

The following table presents the non-financial assets measured and recognised at fair value at 30 June 2017.

Description	Prices in active market (level 1)	Significant observable inputs (level 2)	Significant unobservable inputs (level 3)	Total
	\$'000	\$'000	\$'000	\$'000
Land and Buildings				
Land	2.0	565,130		565,130
Land improvements			2,059	2,059
Buildings	-		170,234	170,234
	-	565,130	172,293	737,423
Infrastructure				
CWMS	-	14	27,628	27,628
Water resources	1.4		475,710	475,710
Roads	÷ 1		604,514	604,514
Kerbing		1.5	56,779	56,779
Bridges			14,377	14,377
Footpaths	(4)		77,650	77,650
Carparks	7.4	1.5	13,790	13,790
Street lighting	15	12	1,314	1,314
Open space		-	26,417	26,417
Coastal	4		10,470	10,470
Bus stops	-	-	2,652	2,652
Shared use paths	-		12,484	12,484
			1,323,785	1,323,785

The following table represents the movements for assets measured using both observable and unobservable inputs. It takes into consideration movements into and out of the level 3 fair value hierarchy.

	30 June 2016 \$'000	Depreciation \$'000	Contributed Assets \$'000	Movement ARR \$'000	Transfers \$'000	Purchases & Upgrades \$'000	Disposals \$'000	Total \$'000
Land and Buildings								
Land	564,975	51	174	3.0		155	174	565,130
Land improvements	2,272	(213)		2.0		-	-	2,059
Buildings	164,723	(2,238)	1.2	7,268	-	481	2	170,234
Infrastructure								
CWMS	24,236	(542)		568	1,604	1,762		27,628
Water resources	437,299	(5,918)	7,494	35,820	(1,604)	3,131	(512)	475,710
Roads	561,926	(11,894)	3,956	43,735		10,020	(3,229)	604,514
Kerbing	54,486	(1,537)	639	(1,307)	1	5,148	(650)	56,779
Bridges	13,321	(311)		184	- 2	2,153	(970)	14,377
Footpaths	75,452	(2,087)	780	1,620		2,879	(994)	77,650
Carparks	13,340	(178)	474	339	14	455	(166)	13,790
Street lighting	1,410	(181)		27	-	68	(10)	1,314
Open space	25,316	(1,569)	133	666	+	2,229	(358)	26,417
Coastal	9,304	(389)		215	15	1,393	(53)	10,470
Bus stops	2,542	(89)		55		407	(263)	2,652
Shared use paths	10,163	(275)		2,452	- 27	1,866	(1,722)	12,484
The state of the s	1,960,765	(27,421)	13,002	91,642		32,147	(8,927)	2,061,208

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 7b. Valuation of Infrastructure, Property, Plant and Equipment (continued)

(vi) Valuation inputs and relationship to fair value of non-financial assets

The following table summarises quantitatively the observable and unobservable inputs to determining the fair values and the impact of movements on each asset class. There were no asset transfers between classes during the financial year.

Description	Fair value at 30 June 2017 \$'000	Valuation technique(s)	Observable/unobservable inputs	Range (weighted average)
Land & Buildings				
Land	565,130		Price per square meter for like assets.	+/- 2.5%
Land improvements	2,059	approach (depreciated replacement cost)	Price per square meter for like assets, average construction data, historical data, unit rate adjustments,	+/- 2.5%
Buildings	170,234		remaining service potential, useful life & condition assessment.	+/- 2.5%
	737,423			
Infrastructure				
CWMS	27,628			+/- 2.5%
Water resources	475,710			+/- 2.5%
Roads	604,514			+/- 2.5%
Kerbing	56,779		Historical cost data, unit rate	+/- 2.5%
Bridges	14,377	0	adjustment for CPI/PPI	+/- 2.5%
Footpaths	77,650	Cost approach (depreciated replacement	similar project costs, G6 (now CSRA) costings,	+/- 2.5%
Carparks	13,790	cost)	remaining service potential,	+/- 2.5%
Street lighting	1,314	0031)	assessed useful life and	+/- 2.5%
Open space	26,417		condition assessment	+/- 2.5%
Coastal	10,470			+/- 2.5%
Bus stops	2,652			+/- 2.5%
Shared use paths	12,484			+/- 2.5%
	1,323,785			
	2,061,208			

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Notes to and forming part of the Financial Statements For the year ended 30 June 2017

	2017	2017	2016	2016
\$ '000	Current	Non Current	Current	Non Current
(a) Trade and Other Payables				
Goods and Services	4,356	14	10,015	. A
Payments Received in Advance	4,762		3,245	-
Accrued Expenses - Employee Entitlements	1,298	-	1,096	
Accrued Expenses - Finance Costs	84		95	-
Accrued Expenses - Other	8,609	-	1,087	-
Deposits, Retentions and Bonds	38	-	22	-
Other	67	-	148	-
Total Trade and Other Payables	19,214		15,708	

The trade and other payables under goods and services relate to the debt owed to suppliers for services provided to the Council.

The terms and conditions regarding financial liabilities are that trade payables are non-interest bearing and are normally settled on 60 day terms, other payables are non-interest bearing and have an average term of end of month plus 30 days and interest payable is normally settled quarterly during the financial year.

There was no balance of trade and other payables that are not expected to be settled in 12 months of the reporting date.

Payments received in advance are principally due to revenue received in advance from the different government agencies for programs executed by the Council. These funds are only to be used for the purpose for which they were received. Prepaid debtors and rate overpayments make up the remaining balance. A breakdown of prepayments is as follows:

	2017	2016
	\$'000	\$'000
Prepaid application fees	. 11	16
Rates overpayments	1,387	1,269
General debtor overpayments	153	213
Grants received in advance	3,211	1,747
Total payments received in advance	4,762	3,245

(b) Borrowings

2017	2017	2016	2016
Current	Non Current	Current	Non Current
4,119	41,191	2,736	34,504
2,366	26,671	2,220	29,036
6,485	67,862	4,956	63,540
	4,119 2,366	4,119 41,191 2,366 26,671	Current Non Current Current 4,119 41,191 2,736 2,366 26,671 2,220

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 8. Liabilities (continued)

This note provides information about the contractual terms of the Council's interest-bearing loans and borrowings which are measured at amortised cost. These loans are drawn down from the Local Government Financing Authority (LGFA). All interest bearing liabilities are secured over the future revenue of the Council.

The Cash Advanced Debenture (CAD) loans are represented by short-term draw-down facilities at the LGFA which provides the Council with immediate access to variable interest rate borrowings.

At balance date, the Council had access to \$27.3 million (2016: \$16.7 million) in available lines of credit and borrowings.

For more information about the Council's exposure to interest rate, foreign currency and liquidity risk arising from these loans and borrowings, refer to note 13.

During the year ended 30 June 2017, the Council complied with and met the covenants established in the loan agreements with the LGFA.

	2017	2017	2016	2016
\$ '000	Current	Non Current	Current	Non Current
(c) Employee Benefits				
Annual Leave	5,457		5,236	
Long Service Leave	6,364	1,527	5,917	1,706
TOIL (time off in lieu)	457		70	
Total Provisions	12,278	1,527	11,223	1,706
Movements in Employment Benefits				
			Annual	Long Service
			Leave	Leave
2017 (current & non-current)				
Opening Balance			5,236	7,623
Add Additional Amounts Recognised			1,139	1,027
(Less) Payments Made		1.0	(918)	(759)
Closing Balance			5,457	7,891

Employee benefits (annual leave and long service leave) are recognised on the basis of service delivery by employee. In addition the employee benefits have been calculated on the basis individual employee contract and relevant Enterprise Bargaining Agreement (EBA).

The actuarial assumptions during measurement are the discount rates based on the government bond rates of financial instruments with various maturity dates and an aggregated inflation rate of 3.0% being salary increases as per the respective EBA's of 2.0% plus an inflation rate of 1.0%.

The Time off in Lieu (TOIL) provision has been expanded to include both MOA and LGE staff members for the 2017 financial year. This is calculated based on the staff members accrued TOIL balance at the end of the last payrun for the financial year and uses their payrate as at 30 June 2017.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 8. Liabilities (continued)

Equity accounted investees

Management believe based on the review of SRWRA and CSRA financial position and performance that these joint arrangements will be capable of paying their liabilities when they fall due. Accordingly, no contingent liability has been recognised for the Council's portion of future committed expenditure nor the outstanding liabilities of these joint arrangements.

Note 9. Reserves					
\$ '000	1/7/2016	Increments (Decrements)	Transfers	Impairments	30/6/2017
(a) Asset Revaluation Reserve					
Land					
Land	454,201	(2.)			454,201
Land Improvements	3,054			4.4	3,054
Buildings	103,450	7,268			110,718
Infrastructure					
CWMS	20,759	568	-	1-1	21,327
Water Resources	274,211	35,820		(-)	310,031
Roads	383,988	43,735	-	7-	427,723
Kerbing	40,303	(1,307)		1/2	38,996
Bridges	13,246	184	-	14	13,430
Footpaths	49,971	1,620	-	1/3	51,591
Carparks	10,711	339	-		11,050
Street Lighting	336	27	-	144	363
Open Space	6,909	666	-		7,575
Coastal	5,721	215	-	178	5,936
Bus Stops	2,304	55	-		2,359
Shared Use Paths	2,460	2,452	-	138	4,912
Other Assets					
Library Materials	595	285		1.45	880
Total Asset Revaluation Reserve	1,372,219	91,927			1,464,146
Comparatives	1,101,718	270,501			1,372,219

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Notes to and forming part of the Financial Statements For the year ended 30 June 2017

\$ '000	1/7/2016	Tfrs to Reserve	Tfrs from Reserve	Other Movements	30/6/2017
(b) Other Reserves					
Stormwater Management	1,789	43	(919)	805	1,718
Developer Contributions - Roads	80	3.0		18	98
Community Wastewater Management Systems	53	4,224	(3,928)	(349)	1.72
Hazel McKenzie (Clarendon Over 50's Club)	12	7.0	-	-	12
Plant and Feet	4,159	-	(1,210)	1,313	4,262
Subdivision Footpaths	1,270	1 Y	(391)	569	1,448
Open Space Development	4,771	634	(1,344)	791	4,852
Acrylic Court Recoating	51	53	(84)	51	71
Coast Parks	2		-		2
Sturt River Linear Park Land Purchase	67		-	28	95
Committed Expenditure	10,979	14,127	(10,979)	- 4	14,127
Contigency	2,805	7,633	(1,372)		9,066
Commercial Activity	555	1,463	(2,225)	328	121
Seaford Library Equipment Replacement	168	78	(140)	71	177
Revolving Resources	1,618	251	(31)	(19)	1,819
Climate Change Response Fund	1,149	27	(167)	3	1,012
Water Business Unit	196	874	(1,070)	13	0,4
Innovation and Improvement Reserve	235	-	-	7	235
Urban Tree Fund	22	5		3	30
Economic Development	1,600	170	(400)	95	1,465
Community Corp 20224		25		3	28
Carparking Contribution Scheme	1.5	9	-		9
Hackham S/E Infrastructure Contribution		23			23
Strategic Acquisition Reserve		30		-	30
Total Other Reserves	31,581	29,669	(24,260)	3,710	40,700
Comparatives	26,088	9,021	(19,105)	15,577	31,581

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 9. Reserves (continued)

The Council maintains other reserves as a mechanism of segregating and providing for the future funding of major projects and capital works. These reserves were established under the requirements of the Council as per the Annual Business Plan. The previous table discloses the balance of other reserves as at balance date and the movements into and out of these reserves during the financial year.

Stormwater management reserve

The stormwater management reserve includes developer contributions for future drainage work in, or associated with, the sub-divisions that they are developing, together with additional funds appropriated to the reserve by Council. Funds are applied to projects in accordance with the prioritisation criteria for the Stormwater category within the Council's long-term financial plan.

Developer contributions - roads reserve

The developer contributions - roads reserve holds funds received from a developer in relation to the future construction of Patterson Street, Seaford Rise.

Community wastewater management system reserve

The Community wastewater management system (CWMS) reserve holds the net value of funds raised via rates on the properties connected to the CWMS throughout the Council area, after allowing for operating expenses. The reserve is used to fund major maintenance projects or capital upgrades on the CWMS in accordance with the recommended schedule of works.

Hazel McKenzie (Clarendon Over 50's Club) reserve

The reserve represents the balance of monies bequeathed to the Council for upgrade works at the Clarendon Over 50's Club. It is available to fund 'larger' projects at the centre.

Plant and fleet reserve

The plant and fleet reserve has been established to partially fund increasing plant replacement costs. Funds are allocated to the reserve as a result of savings due to plant rationalisation.

Subdivision footpaths reserve

The reserve holds funds received from developers of sub-divisions for the future construction of footpaths as well as additional funds appropriated to the reserve by the Council. Funds are applied to projects in accordance with the prioritisation criteria for the Footpaths category within the Council's long-term financial plan.

Open space development reserve

The open space development reserve holds funds received from developers in lieu of providing open space land as part of a sub-division. Additional funds are appropriated to the reserve from the sale of existing open space land held by the Council. Allocations from the reserve are used for acquiring or developing future open space facilities.

Acrylic court recoating reserve

The acrylic court recoating reserve has been established to spread the cost to sporting clubs of their contribution of 50% of the cost of recoating tennis and netball courts through the acrylic court recoating program. Allocations to the reserve are based on the annual club contributions. Court recoating projects being 50% funded from the reserve.

Coast parks reserve

The coast parks reserve has been established to fund, in conjunction with the state government, the development of a coast park running the length of the Council's coastline. In addition to funds transferred to the reserve by the Council, funds for the reserve are received in the form of grants from the state government.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 9. Reserves (continued)

Sturt River linear park land purchase reserve

The Sturt River linear park land purchase reserve has been established to set aside funds for the strategic purchase of land for the Sturt River linear park (Coromandel Valley section).

Committed expenditure reserve

The committed expenditure reserve has been established to provide funds for the completion of capital and other projects carried over from one financial year to the next.

Contingency reserve

The contingency reserve has been established to provide temporary funding for unforeseen needs of an emergency or non-recurring nature, provide a locally sourced match of funds for public or private grants, meet unanticipated increases in service delivery costs, provide a source of funds for the replacement of plant, provide a source of funds for the resolution of unanticipated occupational health and safety issues and provide funds for future known events of unknown magnitude.

Commercial activity reserve

The reserve holds funds derived from commercial activity profits. Funds from this reserve are used to meet working capital requirements of commercial activities and undertake commercial activity capital works.

Seaford library equipment replacement reserve

The Seaford library equipment replacement reserve was created as a requirement of the joint use funding agreement at the Seaford library. Allocations to the reserve are an amount equivalent to the depreciation, at rates agreed with the state government, of joint funded furniture and equipment. Funds are applied to the replacement of the joint funded items.

Revolving resources reserve

The revolving resources reserve was established to fund projects designed to reduce energy, water and paper consumption within the organisation. Savings generated through the implementation of funded projects are returned to the reserve to facilitate additional projects.

Climate change response fund (CCRF) reserve

The CCRF has been established to support the Council's response to climate change as detailed in the Community Plan 2035 and the Climate Change Strategy 2008 – 2013. The CCRF will allow the Council to respond in a timely and meaningful way to climate change impacts and opportunities and provide the funding for climate change responses that are beyond the current budgetary capacity.

Water Business Unit

The Water Business Unit (WBU) reserve has been established to hold the net value of funds raised via the sale of water to the properties throughout the Council area, after allowing for operating expenses. Funds from this reserve will be used to meet the capital requirements for future upgrades and major maintenance projects related to the WBU.

Innovation and Improvement Reserve

The Innovation and Improvement reserve has been established to fund projects designed to improve the efficiency and effectiveness of the Council in carrying out its duties. The projects that are to be funded by the reserve will return greater savings than the funding drawn down.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 9. Reserves (continued)

Urban tree fund

The Urban tree fund (UTF) reserve has been established to hold funds received for the non-replacement of significant trees removed and not replaced by residents during development. The funds received will be expensed in accordance with the requirements of the Regulated Trees Development Plant Amendment report by the Minister dated 24 January 2012.

Ecomonic development

The economic development reserve provides a source of funding for councils economic development activities in accordance with the Economic Growth and Investment Strategy, including the operation of the ON Business Partner Program.

Community corporation 20224

The community corporation 20224 governs the management of a shared ownership car park at Aberfoyle Park. This reserve has been established to manage funds contributed by joint owners for the maintenance of the carpark.

Car parking contribution scheme

Car parking funds were established under the *Development Act 1993* as a mechanism for councils to seek funding to provide, manage and/or maintain parking supply and demand in designated fund areas. The car parking contribution scheme reserve has been established to account for funds collected for car parking in traditional main street areas in Moana, Port Noarlunga, Christies Beach, Willunga, McLaren Vale and Aldinga.

Hackham south east infrastructure contribution

The Hackham south east infrastructure contribution reserve has been established to account for funds collected as part of infrastructure contribution agreements entered into with relevant land owners in Hackham. These funds will be collected at the time of development approval and will be used towards the cost of infrastructure within the specified area.

Strategic acquisition reserve

The strategic acquisition reserve holds fund derived from the one off sale of land or community assets. Funds from this reserve are used to fund strategic land or property acquisitions in the future.

Note 10. Assets Subject to Restrictions			
\$ '000	Notes	2017	2016

The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to council, or for which the revenues were originally obtained.

Developer Contributions for the Purchase and or Development of Open Space	2,419	2,381
Margaret Cutten Library Trust	38	77
Total assets subject to restrictions	2,457	2,458

Margaret Cutten Library Trust

The amount disclosed as the Margaret Cutten Library Trust includes contributions received on behalf of the Trust with regards to specific projects that are to be carried out in future periods. The Trust's cash held by the Council may only be used for the purpose for which they were approved by the Trust.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

\$ '000	Notes	2017	2016
(a) Reconciliation of Change in Net Assets to Cash from Operating Ac	tivities		
Net Surplus/(Deficit)		9,465	7,020
Non-Cash Items in Income Statements			
Depreciation, Amortisation and Impairment	30	31,703	27,620
Equity Movements in Equity Accounted Investments (Increase)/Decrease	18	(742)	(992
Non-Cash Asset Acquisitions	2h	(13,537)	(11,472
Grants for Capital Acquisitions (Treated as Investing Activity Receipts)	2g	(3,966)	(2,104
Net (Gain) Loss on Disposals	4	8,782	4,311
		31,705	24,383
Add (Less): Changes in Net Current Assets			
Net (Increase)/Decrease in Receivables	5b	(984)	(461
Change in Allowances for Under-Recovery of Receivables	5b	98	21
Net (Increase)/Decrease in Inventories	5c	(1)	18
Net (Increase)/Decrease in Other Current Assets	5	(196)	(42
Net Increase/(Decrease) in Trade and Other Payables	88	3,490	(1,527
Net Increase/(Decrease) in Unpaid Employee Benefits	8c	876	675
Net Cash provided by (or used in) operations	-	34,988	23,067
(b) Financing Arrangements			
Unrestricted access was available at balance date to the following line	es of crea	lit	
Corporate Credit Cards		691	649
LGFA Cash Advance Debenture Facility	8b	64,900	53,300
		65,591	53,949

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Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 12a. Functions

Note 12a. Functions by Category

		Inco			e been directly a functions/Activiti		following Funct d in Note 12(b).	ions / Activiti	es.	
Functions/Activities	INCOME EXPENSES S		OPERAT SURPLUS (I	344000000000000000000000000000000000000		GRANTS INCLUDED IN INCOME		TOTAL ASSETS HELD (CURRENT & NON-CURRENT)		
1,000	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
\$ '000	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Community Leadership	57	52	653	473	(596)	(421)	5			-
Vitality and Connection	7,748	8,541	24,566	24,556	(16,818)	(16,015)	4,655	4,616	2,486	5,148
A Thriving Economy	5,575	5,713	14,902	16,150	(9,327)	(10,437)	103	676	52,594	10,454
Planning Our City	12,550	13,841	55,569	54,382	(43,019)	(40,541)	8,290	9,285	1,520,297	1,476,878
Our Environment	503	439	16,330	15,237	(15,827)	(14,798)	2	17	512,597	493,345
Other Corporate Functions	134,771	124,028	48,440	44,061	86,331	79,967	8,098	2,673	34,086	25,573
Current Assetss Not Allocated						-		-	12,728	11,765
Total Functions/Activities	161,204	152,614	160,460	154,859	744	(2,245)	21,153	17,267	2,134,788	2,023,163

No disclosure is made with regards to the geographical information of the six segments as all operate within the same geographical location.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 12b. Components of Functions

The Council has six operating segments that are based on its function and activities as reflected in the ABP adopted on 7 July 2013. These strategic operating segments provide different functions and activities to both internal and external parties and are reviewed on a quarterly basis by management and the Council. The following summary describes the focus of the six strategic segments:

Community leadership

Fostering and demonstrating leadership at all levels of community life.

Vitality and connection

Encouraging a positive, creative and supportive place for communities to thrive.

A thriving economy

Working together to renew our economy to capitalise on opportunities both locally and globally.

Planning our city

Planning for the sustainable growth of our city: when, where, what style, how and how much.

Our environment

Living in balance with our environment, including managing our water resources sustainability and effectively responding to climate change.

Other corporate functions

Internal administrative functions that service the five principal segments.

Note 13. Financial Instruments		
(i) Financial assets		
	2017 \$'000	2016 \$'000
Cash and cash equivalents	3,718	3,804
Trade receivables	2,294	1,701
Loans to community groups	135	147
Total Financial Assets	6,147	5,652

Loans and receivables are recognised by the Council as held to maturity. Cash and cash equivalents generate fixed or variable interest income based on the terms of investment.

At each reporting date, the Council assesses whether there is objective evidence that a financial asset is impaired. In performing this assessment the Council considered the credit risk of the counterparties. Based on our assessment for the year ended 30 June 2017, there was no evidence of impairment in the classes of financial assets (2016: nil impairment).

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

(ii) Financial liabilities	Interest rate	2017	2016
Current	interest rate	\$'000	\$'000
Trade payables	N/A	9,241	13,399
		9,241	13,399
Interest bearing loans and borrowings			
Variable rate	3.75%	689	524
	3.75%	547	472
	3.75%	547	416
	3.75%	953	740
	3.75%	450	220
	3.75%	505	366
	3.75%	428	9.7
Fixed rate	6.45%	4	4
	6.38%	870	816
	6.75%	239	223
	6.92%	95	88
	7.82%	131	121
	7.88%	151	140
	6.20%	13	12
	6.90%	366	342
	5.35%	256	243
	5.35%	241	229
		6,485	4,956
Total Current Financial Liabilities		15,726	18,355
Non-Current			
Interest bearing loans and borrowings			
Variable rate	3.75%	5,611	5,776
	3.75%	4,453	4,528
	3.75%	4,453	4,584
	3.75%	9,047	9,260
	3.75%	5,550	5,780
	3.75%	5,495	4,574
	3.75%	6,582	-
Fixed rate	6.45%	-	4
	6.38%	456	1,326
	6.75%	819	1,058
	6.92%	3,796	3,891
	7.82%	2,049	2,180
	7.88%	960	1,112
	6.20%	123	135
	6.90%	7,892	8,259
	5.35%	5,448	5,704
	5.35%	5,128	5,369
Total Non-Current Financial Liabilities		67,862	63,540
Total Financial Liabilities	_	83,588	81,895

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 13. Financial Instruments (continued)

Bank overdrafts are obtained from the Commonwealth Bank of Australia (CBA) and are secured by the rates of the Council.

The Cash Advance Devices (CAD's) facilities acquired by the Council are facilities through which management of immediate financial demands are mitigated, balanced with the fluctuations of receipt of rates income. These facilities generally have rolling monthly terms, and are paid down when the Council has excess funds from receipts.

Fixed term borrowings are taken out for specific projects or capital works of the Council. The most recent being a loan of \$0.2 million in 2012 to fund the expansion of the community group Basketball S.A. facilities at Morphett Vale. Generally the loan terms are between 15 and 25 years with interest and repayments bi-annually. Interest rates are competitive based on the Bank Bill Swap Reference Rate (BBSW).

(iii) Fair values of financial instruments

Presented below is a comparison by class of the fair value and carrying amount of the Councils financial instruments.

	Carryin	ng amount	Fair	Value
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Financial Assets				
Cash at bank	3,718	3,804	3,718	3,804
Trade and other receivables	2,294	1,701	2,294	1,701
Loans to community groups	135	147	176	196
Total Financial Assets	6,147	5,652	6,188	5,701
Financial Llabilities				
Trade and other payables	9,241	13,399	9,241	13,399
Variable rate borrowings	45,310	37,240	49,152	45,914
Fixed rate borrowings	29,037	31,256	45,521	44,349
Total Financial Liabilities	83,588	81,895	103,914	103,662

The fair values of the financial instruments have been determined in accordance with the following methods and assumptions:

Long term fixed rate and variable rate receivables and borrowings are evaluated by the Council based on the interest rates, individual creditworthiness of the customer, current and forecast economic climate in the local area based on evidence from the Australian Bureau of Statistics.

The fair value of unquoted instruments such as loans from banks and other financial liabilities, obligations under finance leases are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair values of the Council's interest bearing borrowings and loans are determined by using Discounted Cash Flow method using discount rates that reflect the LGFA's lending rates at the end of the reporting period. The non-performance risk as at 30 June 2017 was assessed to be insignificant.

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Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 13. Financial Instruments (continued)

(iv) Valuation techniques used to derive fair values of financial assets

Recurring fair value measurements

In determining the valuation of non-financial assets measured at fair value, following the determination of highest and best use we have maximised the use of observable inputs during the calculations given the nature and characteristics of the asset. These inputs are consistent with the characteristics market participants would take into account in an orderly transaction in the principal market (most advantageous market in the absence of a principal market) for the non-financial asset given the financial, legal, and physical possibilities. We have used consistent inputs for the classes of assets based on their nature, characteristics and associated risks.

The Council initially recognises loans and receivables on the date that they originated. All other financial assets are recognised initially on the trade date, which is the date that the Council becomes a party to the contractual provisions of the instrument.

The Council derecognises its non-derivative financial assets when the contractual rights to the cash flows derived from the asset expires or the Council's right to the contractual cash flows along with substantially all the risks and rewards of ownership are transferred. Financial assets and liabilities are offset and the net amounts presented in the Statement of Financial Position only when the Council has legal right to offset, and/or intends to settle them on a net basis.

Financial assets at fair value through operating surplus or deficit

A financial asset is classified at fair value when it is management's intention to hold the asset for trading, making purchase or sale decisions based on their fair value in accordance with the Council's documented risk management and investment strategy. Any transaction costs are recognised through the operating surplus or deficit. Annually, the financial assets held at fair value are tested for impairment to ensure the carrying value does not exceed the residual value. Accordingly, any adjustments are recognised in operating surplus or deficit.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and at call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Council in the management of its short term commitments.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value, plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less any impairment deficit.

Non-derivative financial liabilities

The Council recognises its debt securities and loans on the date that they originate. All other financial liabilities are recognised initially on the trade date, which is the date that the Council becomes a party to the contractual provision of the instrument. The Council derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Council classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value, less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables. Bank overdrafts that are repayable on demand are included as a component of cash and cash equivalents within the statement of cash flows.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 13, Financial Instruments (continued)

(v) Liquidity risk

Liquidity risk includes the risk that, as a result of operational liquidity requirements, Council will not have sufficient funds to settle a transaction on a given date, will be forced to sell financial assets at a value which is less than what they are worth and may be unable to settle or recover a financial asset at all.

To help reduce these risks, the Council has a liquidity policy which targets a minimum level of cash and cash equivalents to be maintained, has readily accessible standby facilities and other funding arrangements in place, has a liquidity portfolio structure that requires surplus funds to be invested within bands of liquid instruments, monitors budget to actual performance on a regular basis and sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Councils exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. The following table lists the contractual maturities for the financial liabilities at the end of the reporting period, including estimated interest payments.

(vi) Maturity analysis of financial assets and liabilities

	Due	Due > 1 year	Due	Total Contractual	Carrying
\$ '000	< 1 year	& ≤ 5 years	> 5 years	Cash Flows	Values
2017					
Financial Assets					
Cash at bank	3,718	27		3,718	3,718
Trade and other receivables	2,294	4	-	2,294	2,294
Loans to community groups	21	83	72	176	135
Total Financial Assets	6,033	83	72	6,188	6,147
Financial Liabilities					
Trade and other payables	9,241	à à	- 4	9,241	9,241
Loans	9,857	39,627	45,188	94,672	74,347
Total Financial Liabilities	19,098	39,627	45,188	103,913	83,588
2016					
Financial Assets					
Cash & Equivalents	3,804	-	-	3,804	3,804
Receivables	1,701	-	-	1,701	1,701
Loans to Community Groups	21	83	93	197	147
Total Financial Assets	5,526	83	93	5,702	5,652
Financial Liabilities					
Trade and other payables	13,399	-	2,	13,399	13,399
Loans	8,263	32,045	49,954	90,262	68,496
Total Financial Liabilities	21,662	32,045	49,954	103,661	81,895

Date Printed: 16 November 2017

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 13. Financial Instruments (continued)

(vii) Financial risk management objectives and policies

The Council's principal financial liabilities comprises loans and borrowings, trade and other payables. The main purpose of the financial liabilities are to finance the Council's operations. The Council's principal financial assets include cash and cash equivalents, trade and other receivables and loans to community groups.

The Council is potentially exposed to market risk, credit risk and liquidity risk. These risks are managed by senior management whom meet frequently to discuss the financial risks of the Council. Policies and procedures are frequently reviewed to ensure that financial risks are monitored and mitigated where possible. Where policy is pivotal to the operation of Council, the Elected Members will review and formally adopt the Council position. Significant attention and review is performed prior to any transactions with parties external to the local government body.

Market risk

Market risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause the Council to make a financial loss. The Council is exposed to credit risk on some of its loans and receivables.

To help manage credit risk, the Council has a policy for establishing credit limits for the entities it transacts with, requires collateral where appropriate, and invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. As such, management believes the Council does not have any significant credit risk exposure to a single customer or groups of customers.

Ongoing credit evaluation is performed on the financial condition of our customers and where appropriate, an allowance for doubtful debts is raised. Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 19.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates, which exposes council to fair value interest rate risk.

The Council manages interest rate risk on our net debt portfolio by: ensuring access to diverse sources of funding, reducing risks of refinancing by managing in accordance with target maturity profiles, and setting prudential limits on interest repayments as a percentage of rate revenue. We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Elected Members.

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Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 13, Financial Instruments (continued)

(viii) Financial risk management objectives and policies

Investment of surplus funds is made with approved financial institutions under the Local Government Finance Authority. We manage interest rate risk by adopting an investment policy that ensures: conformity with State and Federal regulations and standards, capital protection, appropriate liquidity, diversification by credit rating, financial institution and investment product, monitoring of return on investment, benchmarking of returns and comparison with budget. Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

Interest rate profile

At the end of the financial year the interest rate profile of the Council's interest bearing financial instruments was as follows:

	Nomina	al Amount
Variable rate instruments	2017 \$'000	2016 \$'000
Financial assets	3,718	3,804
Financial liabilities	(45,310)	(37,240)
	(41,592)	(33,436)
Fixed rate instruments		
Financial assets	135	147
Financial liabilities	(29,037)	(31,256)
	(28,902)	(31,109)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the end of the reporting period would have increased (decreased) the operating surplus or deficit by the amounts shown below. This analysis assumes that all other variables remain constant.

	Suprlus or deficit		Ec	quity
	100BP increase \$'000	100BP decrease \$'000	100BP increase \$'000	100BP decrease \$'000
30 June 2017				
Variable interest rate instruments	(416)	416	74	
Cash flow sensitivity (net)	(416)	416	*	
30 June 2016				
Variable interest rate instruments	(353)	353	13.0	0 -
Cash flow sensitivity (net)	(353)	353	1.0	o•1

Fair value sensitivity analysis for fixed rate instruments

The Council does not account for any fixed rate financial instruments at fair value through operating surplus or deficit. Accordingly, a change in the interest rates at the end of the reporting period would not affect operating surplus or deficit.

A change of 100 basis points in interest rates would have no increase or decrease on equity given the nature and accounting policy of the financial instruments held by the Council.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

\$ '000	Notes 2017	2016
(a) Capital Commitments		
Capital expenditure committed for at the reporting date but not r	ecognised in the financial statemer	nts as liabilities:
Buildings	1,161	1,177
Infrastructure	6,270	5,726
Plant and Equipment	1,524	2,561
	8,955	9,464
These expenditures are payable:		
Not later than one year	8,955	9,464
Later than one year and not later than 5 years		
Later than 5 years		
	8,955	9,464
(b) Other Expenditure Commitments		
(b) Other Expenditure Commitments Other expenditure committed for (excluding inventories) at the r statements as liabilities:	eporting date but not recognised in	the financial
Other expenditure committed for (excluding inventories) at the r statements as liabilities:	eporting date but not recognised in 96	the financial
Other expenditure committed for (excluding inventories) at the r		
Other expenditure committed for (excluding inventories) at the r statements as liabilities: Audit Services	96	128
Other expenditure committed for (excluding inventories) at the r statements as liabilities: Audit Services Waste Management Services	96 117	128 364
Other expenditure committed for (excluding inventories) at the r statements as liabilities: Audit Services Waste Management Services Other	96 117 8,748	128 364 7,170
Other expenditure committed for (excluding inventories) at the r statements as liabilities: Audit Services Waste Management Services	96 117 8,748	128 364 7,170
Other expenditure committed for (excluding inventories) at the r statements as liabilities: Audit Services Waste Management Services Other These expenditures are payable:	96 117 8,748 8,961	128 364 7,170 7,662
Other expenditure committed for (excluding inventories) at the r statements as liabilities: Audit Services Waste Management Services Other These expenditures are payable: Not later than one year	96 117 8,748 8,961	128 364 7,170 7,662 5,359

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 15. Financial Indicators				
	Amounts	Indicator	Prior F	eriods
\$ '000	2017	2017	2016	2015

These Financial Indicators have been calculated in accordance with *Information paper 9 - Local Government Financial Indicators* prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating Surplus	744	0.5%	(1.5%)	2.7%
Total Operating Revenue	161,204	0.576	(1.5%)	2.1 /0

This ratio expresses the operating surplus as a percentage of total operating revenue.

1a. Adjusted Operating Surplus Ratio

Adjusted Operating Surplus	(3,149)	(2.00/.)	/1 EO/1	(0.9%)
Total Operating Revenue	161,204	(2.0%)	(1.5%)	(0.9%)

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The Adjusted Operating Surplus Ratio adjusts for the resulting distortion in the disclosed operating result for each year.

2. Net Financial Liabilities Ratio

Net Financial Liabilities	94,338	58.5%	55.8%	54.7%
Total Operating Revenue	161,204	30.378	33.0 %	34.7 70

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.

3. Asset Renewal Funding Ratio

Net Asset Renewals	32,966	114%	72.9%	65.2%
Infrastructure & Asset Management Plan required expenditure	28,863	11470	12.5/0	03.2 /6

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 16. Uniform Presentation of Finances

\$ '000	2017	2016

The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

Income	161,204	152,614
less Expenses	(160,460)	(154,859)
Operating Surplus / (Deficit)	744	(2,245)
less Net Outlays on Existing Assets		
Capital Expenditure on Renewal and Replacement of Existing Assets	34,211	21,807
less Depreciation, Amortisation and Impairment	(31,703)	(27,620)
less Proceeds from Sale of Replaced Assets	(1,245)	(1,395)
Subtotal	1,263	(7,208)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	11,953	8,348
less Amounts Received Specifically for New and Upgraded Assets	(3,966)	(2,104)
Subtotal	7,987	6,244
Net Lending / (Borrowing) for Financial Year	(8,506)	(1,281)

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 17. Operating Leases		
\$ '000	2017	2016

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are disclosed in Note 2c.

Leases commitments under all non-cancellable lease agreements are as follows:

Not later than one year	315	383
Later than one year and not later than 5 years	1,362	1,629
Later than 5 years	1,433	1,332
Anna transfer in the second	3,110	3,344

Lease payment commitments of Council

Council has entered into non-cancellable operating leases for various items of computer and other plant and equipment. No lease imposes any additional restrictions on the Council in relation to additional debt or further leasing. Leases in relation to computer and office equipment permit Council, at expiry of the lease, to elect to re-lease, return or acquire the equipment leased.

The nominal value of commitments under non-cancellable operating leases that have not been recognised in the financial statements are as follows:

These expenditures are payable:

	1,611	1,279
Later than 5 years		
Later than one year and not later than 5 years	799	660
Not later than one year	812	619

Note 18. Interests in Other Entities

The Council has a 55% interest in Southern Region Waste Resource Authority (SRWRA) and a 16.7% interest in the Council Solutions Regional Authority (CSRA). These joint ventures are accounted for using the equity method in the financial statements. The following tables summarise financial information of the Council's investments in SRWRA and CSRA.

All joint ventures are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

	Council's Share	Council's Share Net Income		Net Assets
	2017	2016	2017	2016
Joint Ventures	742	992	11,037	10,295
Total	742	992	11,037	10,295

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 18. Interests in Other Entities (continued)

\$ '000

(a) Carrying Amounts

Total Carrying Amounts - Joint Ventu	res and Associates	11,037	10,295
Council Solutions Regional Authority	Procurement Services	88	101
Southern Region Waste Resource Authority	Waste Management	10,949	10,194
Name of Entity	Principal Activity	2017	2016

Southern Region Waste Resource Authority

The Council is a member of the SRWRA. This is a regional subsidiary established under Section 43 of the *Local Government Act (1999)* by the City of Onkaparinga, City of Marion and City of Holdfast Bay to operate the SRWRA Landfill Operation.

Southern Region Waste Resource Authority is managed by a seven member board. Each Council provides two representatives and the seventh member is an independent person who has expertise in the business of waste management. The board is chaired by the independent member.

Every Council representative on the board has one vote on every issue and decisions are carried by simple majority. The chairperson has a deliberative vote only. The proportional interest of Council members may only be amended by unanimous agreement.

As owner and operator of the SRWRA Landfill Operation, SRWRA has a legal responsibility for its long term rehabilitation following its closure.

The Council received no distribution or dividend from SRWRA during the 2016-17 financial year (2016: nil). No financial contribution was made to SRWRA during that period. A summary of the SRWRA 2017 financial statements are presented on the following page.

Council Solutions Regional Authority

City of Onkaparinga is a member of the CSRA which came into existence during the financial year ended 30 June 2013. This is a regional subsidiary established under Section 43 of the *Local Government Act (1999)* by the cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully to establish a centre of excellence in procurement and to provide services to and on behalf of the Constituent Councils.

Council Solutions Regional Authority is overseen by a 'Board' comprising one senior executive from each constituent Council and an independent board member who is considered by the senior management of CSRA to be an expert in the area.

Other than the chairperson every representative on the board has one vote on every issue and decisions are carried by simple majority. The chairperson has a deliberative vote only. The proportional interest of member councils may only be amended by unanimous agreement. A summary of the CSRA 2017 financial statements are presented on the following page.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 18. Interests in Other Entities (continued)

\$ '000

(b) Relevant Interests	Intere	st in	Owne	ership		
Action Commission	Opera	iting	Sha	re of	Propo	rtion of
	Res	ult	Eq	uity	Voting	Power
Name of Entity	2017	2016	2017	2016	2017	2016
Southern Region Waste Resource Authority	55%	55%	55%	55%	33%	33%
Council Solutions Regional Authority	16.7%	16.7%	16.7%	16.7%	16.7%	16.7%

(c) Movement in Investment in Joint Venture

	Southern Region Waste Resource Authority		Council Solutions Regio Authority	
	2017	2016	2017	2016
Opening Balance	10,194	9,200	101	102
Share in Operating Result	755	992	(13)	(1)
Share in Other Comprehensive Income	S	2	14,150	-
Council's Equity Share in the Joint Venture	10,949	10,194	88	101

(d) Summarised Financial Information of the Equity Accounted Business

Southern Region Waste Atement of Financial Position Resource Authority		Council Solutions Regional Authority	
2017	2016	2017	2016
19,940	19,069	334	267
2,025	915	469	390
15,790	14,625		-
37,755	34,609	803	657
2,529	1,365	277	55
149	136	200	7
15,174	14,850		
17,852	16,351	277	55
19,903	18,258	526	602
	Resource A 2017 19,940 2,025 15,790 37,755 2,529 149 15,174 17,852	Resource Authority 2017 2016 19,940 19,069 2,025 915 15,790 14,625 37,755 34,609 2,529 1,365 149 136 15,174 14,850 17,852 16,351	Resource Authority Authority 2017 2016 19,940 19,069 2,025 915 469 15,790 14,625 37,755 34,609 803 2,529 1,365 149 136 15,174 14,850 17,852 16,351 277

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 18. Interests in Other Entities (continued)

\$ '000

Statement of Comprehensive Income	Southern Region Waste Resource Authority		Council Solutions Regional Authority	
	2017	2016	2017	2016
Income	12,678	10,547	1,234	1,053
Contributions from Constituent Councils				
Total Income	12,678	10,547	1,234	1,053
Employee Costs	1,194	1,025	775	518
Materials, Contracts & Other Expenses	9,240	6,848	535	541
Depreciation, Amortisation and Impairment	949	784	14	-
Other Expenses	78	95		2.
Total Expenses	11,461	8,752	1,310	1,059
Operating Result	1,217	1,795	(76)	(6)

Note 19. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet

The following assets and liabilities do not qualify for recognition in the balance sheet, but knowledge of these items is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductable "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

Bank guarantees

The Council holds bank guarantees provided by developers against works undertaken when creating new subdivisions. The purpose of these guarantees is to ensure that sufficient funds will be available for completion or rectification works should the developer not complete a project to the required standards.

Council does not expect to incur any loss arising from these guarantees.

Legal matters

Council is the planning consent authority for its area under the *Development Act 1993* (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of 5 appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 19. Contingencies & Assets/Liabilities Not Recognised in the Balance Sheet (continued)

\$ '000

Remediation of landfill sites

There are a number of former landfill sites throughout the Council. These may require rehabilitation under the requirements of the *Environment Protection Act 1993*, *Local Government Act 1999* or the *Public and Environment Health Act 1987* or as a matter of good environmental management principles.

As the likelihood of the landfill sites requiring further remediation works is low, and the amounts relating to these future works can not be quantified, there is no amount allocated to a landfill provision account for potential future works.

Note 20. Events after the Balance Sheet Date

Events that occur after the reporting date of 30 June 2017, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 24/10/17.

Council is unaware of any material or significant "non adjusting events" that should be disclosed.

Note 21. Related Party Transactions

Key Management Personnel

Transactions with Key Management Personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and Directors under section 112 of the *Local Government Act 1999*. In all, 26 persons were paid the following total compensation:

Total Transactions with key Management Personnel	1,822
Other payments	
Post-Employment Benefits	111
Salaries, allowances and other short term benefits	1,711

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above.

Notes to and forming part of the Financial Statements For the year ended 30 June 2017

Note 21. Related Party Transactions (continued)

\$ '000

Receipts from Key Management Personnel

Other than amounts paid as ratepayers or residents (rates, swimming pool entry fees, etc.), Council received the following amounts in total from Key Management Personnel:

Rental property within Council boundary	33
Other Receipts	-
Total Receipts from Key Management Personnel	33

Committed payments to Key Management Personnel

Amounts committed to be paid to key management personnel are payable as follows:

Not later than one year	1,022
Later than one year and not later than 5 years	2,163
Later than 5 years	
Total Committed Payments to Key Management Personnel	3,185

Note 22. Equity - Retained Earnings and Revaluation Reserves Adjustments

Voluntary Changes in Accounting Policies

Council made no voluntary changes in any accounting policies during the year.

Changes in Accounting Standards

There were no changes in accounting standards that affected prior year balances during the year.

Note 23. Auditor Remuneration

\$ '000 2017 2016

The external auditor of the City of Onkaparinga for 2016-17 financial year is BDO (Audit) Pty Ltd (BDO). During the financial year BDO have carried out procedures to enable them to form an opinion under sections 129(1)(a) and 129(1)(b) of the LGA 1999.

Value of Services Performed by BDO

Audit services conducted under s129(1)(a)/(b) of the LGA 1999	32	32
Total Value of Services Performed by BDO	32	32



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INDEPENDENT AUDITOR'S REPORT TO THE PRINCIPAL MEMBER OF CITY OF ONKAPARINGA

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of City of Onkaparinga (the Council), which comprises the statement of financial position as at 30 June 2017, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the certification of the financial statements.

In our opinion the financial report of City of Onkaparinga, presents fairly, in all material respects, the Council's financial position as at 30 June 2017 and its financial performance for the year ended on that date in accordance with Australian Accounting Standards, the Local Government Act 1999, and the Local Government (Financial Management) Regulations 2011.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Council in accordance with the Local Government Act 1999 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Local Government Act 1999, which has been given to the Council, would be in the same terms if given to the Council as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor's Report Thereon

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the annual reports of the Council Solutions and the Southern Region Waste Resource Authority for the year ended 30 June 2017.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report of the City of Onkaparinga, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Council's Responsibility for the Financial Report

The Council's officers are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011and for such internal control as the Council's officers determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council's officers are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council's officers either intend to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website http://www.auasb.gov.au/Home.aspx) at: http://www.auasb.gov.au/auditors_files/ar4.pdf)

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This description forms part of our auditor's report.

BDO Audit (SA) Pty Ltd

Andrew Tickle Director

Adelaide, 24 October 2017



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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF CITY OF ONKAPARINGA

Scope

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by the City of Onkaparinga ('the Council') in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2016 to 30 June 2017 relevant to ensuring such transactions have been conducted properly and in accordance with law.

The Council's Responsibility for the Internal Controls

The Council is responsible for:

- a) the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities:
- b) identifying the control objectives;
- c) identifying the risks that threaten achievement of the control objectives;
- d) designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) operating effectively the controls as designed throughout the period.

Our Independence and Quality Control

We have complied with the relevant ethical requirements relating to assurance engagements, which include independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. In accordance with Auditing Standard ASQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements, BDO Audit (SA) Pty Ltd maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Assurance Practitioner's Responsibility

Our responsibility is to express an opinion on the suitability of the design to achieve the control objectives and operating effectiveness of controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3150 Assurance Engagements on Controls issued by the Auditing and Assurance Standards Board. That standard requires that we comply with relevant ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operated effectively throughout the period.

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An assurance engagement to report on the design and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the control objectives and the operating effectiveness of controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to achieve the control objectives identified. An assurance engagement of this type also includes evaluating the suitability of the control objectives.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved and so fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Opinion

Our opinion has been formed on the basis of the matters outlined in this report.

In our opinion, in all material respects:

- a) the controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- b) the controls operated effectively as designed throughout the period from 1 July 2016 to 30 June 2017.

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BDO Audit (SA) Pty Ltd

Andrew Tickle Director

Adelaide, 24 October 2017

City of Onkaparinga

General Purpose Financial Statements For the year ended 30 June 2017

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Onkaparinga for the year ended 30 June 2017, the Council's Auditor, BDO Audit Pty Ltd has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government* (Financial Management) Regulations 2011.

Mark Dowd
CHIEF EXECUTIVE OFFICER

Date: 24 October 2017

David Powell

PRESIDING MEMBER, AUDIT COMMITTEE



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CERTIFICATION OF AUDITOR INDEPENDENCE

I confirm that, for the audit of the financial statements of the City of Onkaparinga for the year ended 30 June 2017, I have maintained my independence in accordance with the requirements of APES 110 - Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) Local Government (Financial Management) Regulations 2011.

Andrew Tickle Director

BDO Audit (SA) Pty Ltd

Adelaide, 24 October 2017

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9.2 Southern Region Waste Resource Authority Annual Report 2016-17

This is a regular or standard report.

Manager: Darren Styler, Manager Finance

Report Author: Sonia Sghendo, Team Leader Financial Accounting

Contact Number: 8384 0613

Attachments: 1. Southern Region Waste Resource Authority Annual Report

for the year ended 30 June 2017 (42 pages)

1. Purpose

This report presents the annual report for the year ended 30 June 2017 for Council's subsidiary Southern Region Waste Resource Authority (SRWRA) for Council's information.

2. Recommendation

That Council note the 2016-17 annual report for Southern Region Waste Resource Authority that will be included in the 2016-17 City of Onkaparinga annual report.

3. Background

Section 131 of the Local Government Act 1999 (the Act) stipulates that 'A council must, on or before 30 November in each year, prepare and adopt an annual report relating to the operations of the council for the financial year ending on the preceding 30 June'

As detailed in the Act, the council's annual report must incorporate 'the material specified in Schedule 4 as amended from time to time by regulation'. Schedule 4 of the Act requires the inclusion of subsidiary annual reports in council's annual report.

The 2016-17 annual report for SRWRA is attached for Council's information.

4. Financial Implications

None.

5. Risk and Opportunity Management

Risk	
Identify	Mitigation
Failure to comply with requirements of the Local Government Act 1999 and associated standards/legislation, results in a breach of the Act.	The year-end timetable adheres to the timelines stipulated in the Act for the sign off and filing of the annual report. We are currently adhering to the timeline set and therefore believe this risk is appropriately mitigated.

Attachment 1

SRWRA Annual Report 2016-17





SRWRA is a regional subsidiary established by the Cities of Onkaparinga, Marion and Holdfast Bay, pursuant to Section 43 of the Local Government Act, 1999.

Under our Charter, SRWRA is responsible for providing and operating waste management services on behalf of our constituent Councils.

At a practical level, our core business activity is the management of our wholly-owned SRWRA Landfill and Recycling Operation employing innovative resource recovery approaches in managing all products and materials as valuable and finite resources. This is one of the State's major landfill operations currently receiving over 100,000 tonnes of waste annually.

Since 1996 the Authority has been extracting landfill gas (methane) through its gas management plant. On average, the Authority generates over 18,000MWh per annum from the SRWRA Landfill facility, equivalent to powering more than 2,500 local homes. As a result, more than 6.8m cubic metres of methane from the SRWRA's Landfill Gas site is consumed, CO2 abatement equivalent to taking 26,000 cars off the road.

The SRWRA's joint venture operation with Integrated Waste Services (IWS) has developed through 2016/17 with significant improvements in the recycling programme through the jointly operated Southern Recycling Centre (SRC) realising significant improvements in the reduction of waste to landfill.

Joint Venture Partner:



Constituent Councils:







Chairman's Message



On behalf of the Board of the Southern Region Waste Resource Authority, it is my pleasure to present the Annual Report for the 2017 financial year which demonstrates that the Authority continues to meet the objectives and responsibilities outlined in its Charter in a fiscally and environmentally sustainable manner.

The work of the Board is guided by its strategic vision "to be a leader in employing innovative resource recovery approaches, and in managing all products and materials as valuable and finite resources", and by the following four strategies within the SRWRA Strategic Plan.

- Operate in a financially, environmentally and socially sustainable manner.
- Maximise the life of the landfill through the exploration and adoption of efficient and cost-effective disposal services and technology. To consider and evaluate alternative technology solutions to provide enhanced environmental, economic and social benefit.
- Ensure our facilities are operated to meet the requirements of the EPA license.
- Apply the principles of good governance to all of our operations.

While each of these strategies has been advanced over the course of the past year, it is particularly pleasing to be able to report that the Southern Recycling Centre, a joint venture between the Authority and Integrated Waste Services, was opened in December 2016. This is an important project for the responsible management of waste

in southern Adelaide providing a significant advancement in our efforts to minimise waste to landfill

The Authority supports the avoidance of waste generation initiatives while recognising that landfill currently remains central to responsible waste management in Australia. As the operator of one of South Australia's largest landfills we accept our responsibility to manage this valuable infrastructure in a financially, environmentally and socially sustainable manner.

The Authority continues to be fiscally responsible in balancing the provision of a reasonable commercial return to its owners, the Constituent Councils, with the need to ensure there are adequate financial reserves for the capital expenditures associated with future site development plans and our post closure obligations.

We are fortunate to have the very capable leadership of Mark Hindmarsh, who with our dedicated team have enabled the Board to progress our strategic aims and objectives.

We are also fortunate to have a Board who continue to work tirelessly and passionately in the interests of the Authority, and an Audit Committee who play an invaluable role supporting the Board in the assessment and management of the Authority's risk profile.

In extending my thanks to each member of the Board and the Audit Committee for their contribution and continued support, it is important to recognise the service of Mr Paul Harwood who retired as a Board member during the year.

The success of the Authority would not be possible without the efforts of this very dedicated group of people.

I confirm the Authority is well placed strategically and financially to continue to deliver a sustainable waste management solution for the southern region of Adelaide on behalf of its Constituent Councils.



Board of Management as at June 30th 2017

Chairperson



Mark Booth

Members



Vincent Mifsud City of Marion



Kirk Richardson City of Onkaparinga



Trish Aukett City of Holdfast Bay



Ian Crossland City of Marion



Lynda Yates City of Holdfast Bay

Deputy Members



Heidi Greaves City of Onkaparinga



Nick Kerry City of Marion



John Smedley City of Holdfast Bay

Chief Executive Officer's Message



The foundations developed by the Authority over the past few years and specifically over the past year has seen the Southern Region Waste Resource Authority (SRWRA) play a significant role for its Constituent Councils in achieving its vision of an integrated waste and resource recovery operation.

It has been a year of investigation and exploration, working with new technologies to enhance the operation of the waste management and resource recovery systems at the Authority. Consultation and planning has played a significant role this year with the introduction of a new Master Plan that aligns with the goals and directions of the State-wide Waste and Resource Recovery Infrastructure Plan. The Master Plan supports the direction of the Authority in reducing waste to landfill and exploring advances in technologies such as energy from waste and opportunities to reduce greenhouse emissions associated with the waste sector to meet the requirements of our developing communities.

A major achievement for 2016 has been the introduction of an organics separation treatment process for kerbside municipal waste (MSW). The treatment process has been realised through the Authority's joint venture partnership with Integrated Waste Services (IWS). The joint venture operation known as the Southern Recycling Centre (SRC) recovers organic waste from the kerbside MSW which is then treated through a further process to make a usable recovered product that can be used in several applications as a recycled product.

These are exciting times for the waste and resource recovery Industry. Looking forward, we will be focused on further education and exploring advances in technologies with all our stakeholders and Constituent Councils, making continued advances towards a step change in resource recovery and the continued reduction of waste sent to landfill.

The Authority's achievements for 2016 have been considerable and I would like to thank all the SRWRA staff and the Board for their hard work and contribution this year, strengthening the Authority's commitment and responsibilities for environmental and waste management on behalf of its Constituent Councils.

This is further complimented by the support and guidance received by the SRWRA Audit Committee which consists of external representation from each of the Constituent Councils. The Audit Committee adds a valuable support function to the SRWRA Board and Chief Executive Officer in the management of the Authority's risk profiles.

In the continued development of the SRWRA's community educational initiatives each year the Authority writes to all the local primary schools in the Constituent Council areas promoting the Les Perry Memorial Grant Programme. Schools in the Constituent Council areas are encouraged to apply to the Authority for a grant of approximately \$500 each to focus on recycling and educating children on the importance of recycling and re-use of common household waste materials. A total of 5 schools were successfully awarded the grant this year.

I am pleased to report that the 2016 financial period for the Authority showed an operating surplus of \$1.2M for the year ended 30th June 2017. This is an excellent result, built around the improvements, developments and efficiencies of the operations over the past twelve months. The Authority continues to operate a reasonable commercial return to the Constituent Councils whilst ensuring there are adequate financial reserves to meet future developments and post closure requirements of its operations. A complete copy of the Audited Financial Statements for 2016/17 forms part of this report.

As the waste sector continues to evolve and develop, I look forward to leading the Authority through the challenges and opportunities in the year ahead.



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FINANCIAL REPORT

For the Financial Year Ended 30 June 2017

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Audit Report

Council Certificates of Audit Independence

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ANNUAL FINANCIAL STATEMENTS for the year ended 30 June 2017

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Southern Region Waste Resource Authority Board to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2017 and the results of its operations and cashflows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliablethroughout the financial year.

Mark Hindmarsh

Executive Officer

- the financial statements accurately reflect the Authority's accounting and other records.

Mark Booth

Chairman

Dated the 29Th day of AUGUST 20

Date Printed: 16 November 2017

STATEMENT OF COMPREHENSIVE INCOME for the financial year ended 30 June 2017

	Notes	2017 \$'000	2016 \$'000
INCOME			
User charges	2	11,617	9,294
Investment income	2	552	622
Other Income	2	244	631
Net gain - equity accounted Joint Venture	15	265	
Total Income	_	12,678	10,547
EXPENSES			
Employee costs	3	1,194	1,025
Materials, contracts & other expenses	3	9,240	6,848
Depreciation, amortisation & impairment	3	949	784
Other Expenses	3	78	75
Net loss - equity accounted Joint Venture	15		20
Total Expenses	_	11,461	8,752
OPERATING SURPLUS / (DEFICIT)		1,217	1,795
Net gain (loss) on disposal or revaluation of assets	4	18	5
Amounts received specifically for new or upgraded assets		140	-
NET SURPLUS / (DEFICIT)	-	1,375	1,800
transfer to Equity Statement	_		
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	-
	-		
Total Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME	_	1,375	1,800

This Statement is to be read in conjunction with the attached Notes.

STATEMENT OF FINANCIAL POSITION as at 30 June 2017

			2017	2016
ASSETS		Notes	\$'000	\$'000
Current Assets				
Cash and cash equivalents		5	19,940	19,069
Trade & other receivables		5	2,025	867
Inventories		5		48
			21,965	19,984
	Total Current Assets	_	21,965	19,984
Non-current Assets				
Equity Accounted Joint Venture		14	709	164
Property, Plant & Equipment		6	15,081	14,461
	Total Non-current Assets	-	15,790	14,625
Total Assets		_	37,755	34,609
LIABILITIES				
Current Liabilities				
Trade & Other Payables		7	2,529	1,365
Provisions		7	149	136
	Total Current Liabilities	_	2,678	1,501
Non-current Liabilities				
Provisions		7	15,174	14,580
	Total Non-current Liabilities	-	15,174	14,580
Total Liabilities		_	17,852	16,081
NET ASSETS		=	19,903	18,528
EQUITY				
Accumulated Surplus		_	19,903	18,528
TOTAL EQUITY		=	19,903	18,528

This Statement is to be read in conjunction with the attached Notes.

Date Printed: 16 November 2017

STATEMENT OF CHANGES IN EQUITY for the financial year ended 30 June 2017

2017	Accumulated Surplus Notes	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period	18,528	-	-	18,528
Adjustments due to compliance with revised	-	-	-	-
Accounting Standards Adjustments to give effect to changed accounting policies	-	-	-	-
Restated Opening Balance	18,528	-	-	18,528
Net Surplus/ (Deficit) for Year Other Comprehensive Income	1,375			1,375
Gain on revaluation of infrastructure, property, plant & equipment	-	-	-	-
Transfers between reserves	-	-	-	-
Distributions to Member Councils		-	-	
Balance at end of period	19,903	-	-	19,903

2016	Accumulated Surplus Notes	Asset Revaluation Reserve	Other Reserves	TOTAL EQUITY
Balance at end of previous reporting period Adjustments due to compliance with revised Accounting Standards	16,728 -	-	-	16,728 -
Adjustments to give effect to changed accounting policies	-	-	-	-
Restated Opening Balance	16,728	-	-	16,728
Net Surplus/ (Deficit) for Year Other Comprehensive Income	1,800	-	-	1,800
Gain on revaluation of infrastructure, property, plant & equipment	-	-	-	-
Transfers between reserves		-	-	-
Distributions to Member Councils	-	-	-	-
Balance at end of period	18,528	-	-	18,528

This Statement is to be read in conjunction with the attached Notes

STATEMENT OF CASH FLOWS

for the year ended 30 June 2017

		2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES No	tes	\$'000	\$'000
Receipts			
Operating receipts		11,927	10,869
Investment receipts		552	621
<u>Payments</u>			
Operating payments to suppliers & employees		(10,279)	(8,898)
Net Cash provided by (or used in) Operating Activities 8	(b)	2,200	2,592
CASH FLOWS FROM INVESTING ACTIVITIES			
Receipts			
Amounts specifically for new or upgraded assets		-	-
Sale of surplus assets		163	5
Distributions received from equity accounted Joint Venture	.4	125	150
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(754)	(39)
Expenditure on new/upgraded assets		(863)	(2,739)
Capital contributed to equity accounted Joint Venture	.4		(145)
Net Cash provided by (or used in) Investing Activities		(1,329)	(2,768)
CASH FLOWS FROM FINANCING ACTIVITIES	_		
Net Cash provided by (or used in) Financing Activities	_		
Net Increase (Decrease) in cash held		871	(176)
Cash & cash equivalents at beginning of period	_	19,069	19,245
Cash & cash equivalents at end of period 8	(a)	19,940	19,069

This Statement is to be read in conjunction with the attached Notes

Date Printed: 16 November 2017

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 1 - SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of Preparation

1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Onkaparinga, City of Marion and the City of Holdfast Bay.

1.2 Historical Cost Convention

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 The Local Government Reporting Entity

Southern Region Waste Resource Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at 112 Bakewell Dr, Seaford Heights SA 5169.

3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 10.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 1 - Significant Accounting Policies (cont)

5 Infrastructure, Property, Plant & Equipment

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. No capitalisation threshold is applied to the acquisition of land or interests in land.

Capitalisation threshold applied of \$1,000 for all asset classes. Any purchases greater than this amount are capitalised and depreciated on the Authority's asset register.

5.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class of asset are shown below. Depreciation on Landfill Construction assets are amortised proportionately to the rate of filling based upon the projected remaining airspace of landfill cells as at the beginning of the reporting period. The Authority annually assesses the remaining airspace of landfill cells and accordingly, depreciation and amortisation rates are adjusted to reflect these estimates. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment 3 to 10 years
Buildings 30 - 50 years
Waste Facility 10 to 15 years

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Landfill Construction Amortised proportionately to rate of filling

6 Payables

6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 1 - Significant Accounting Policies (cont)

7 Employee Benefits

7.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

The Authority recognises all presently entitled liabilities as current liabilities regardless of whether it is expected to be paid within the preceding 12 months of reporting date.

7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Statewide Super. The Scheme has two types of membership, each of which is funded differently.

Accumulation Fund Members

Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation (9.5% in 2016/17; 9.5% in 2015/16). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined Benefit Members

Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent full actuarial investigation conducted by the Scheme's actuary, A C Miller, FIAA, of Russell Employee Benefits Pty Ltd as at 30 June 2014. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.

The Authority also makes contributions to other superannuation schemes selected by employees under the 'choice of fund' legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the new assets of the scheme, and no further liability attaches to the Authority.

8 Rehabilitation

Expenditures relating to ongoing rehabilitation and restoration reduce any provision previously established.

The Authority annually monitors the liability recorded for landfill rehabilitation and restoration estimates and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet. The Authority will be undertaking further detailed reviews of all rehabilitation and restoration liability costs in future years with the assistance of external consultants to ensure all projected costs have been independently verified.

9 Inventory

Inventory held by the Authority reflect materials stored on site which have either been purchased or gifted which will be used for future Cell and Capping construction works to be undertaken in future years.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 1 - Significant Accounting Policies (cont)

10 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax". Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable. Non-current assets and capital expenditures include GST net of any recoupment.

Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

11 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

12 New Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2017 reporting period and have not been used in preparing these reports.

The Authority is of the view that none of the new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

13 Valuation of Land and Building Assets

Land and Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on the current zoning of the Onkaparinga Council Development Plan and Environmental Protection Agency (EPA) constraints and assessed market values based on highest and best use. All purchases made post 30 June 2014 have been recorded at Cost.

14 Consolidation of Asset Classes

During the 2016/17 financial year, the Authority undertook a consolidation of a number of asset classes in Note 6 of the Financial Statements. There was no impact to the financial performance or position of the Authority as a result of the consolidating asset classes.

The Authority undertook a review of the recognition basis for each constructed landfill cell to determine the most appropriate and reliable method to measure the consumption of constructed landfill airspace and recognition of capital works for asset depreciation purposes. It was determined that consolidating all existing landfill sites into a single cell is the most reliable and accurate method of measuring landfill activities given that the site is now operated as one large single cell site. As a result, the WDV of all landfill cell assets was consolidated as at 1 July 2016 and renamed 'Super Cell' in Note 6.

A review of the ongoing capping obligations for the site is being undertaken in the 2017/18 financial year. Any changes to key assumptions or estimates will be applied in the 2017/18 financial year once the review has been completed.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 2 - INCOME

	Notes	2017 \$'000	2016 \$'000
USER CHARGES		11.617	0.204
Landfill Operations	_	11,617 11,617	9,294
	_	11,017	3,234
INVESTMENT INCOME			
Interest on investments		400	550
Local Government Finance Authority		488	552
Banks & other		22	27 43
Investment property rental income	_	<u>42</u> 552	622
	_	332	022
OTHER INCOME			
Movement in Landfill Liabilities		-	228
Other Income		88	307
Southern Recycling Centre	_	156	96
	_	244	631
Note 3 - EXPEN	ISES		
EMPLOYEE COSTS		1.042	951
Salaries and Wages Employee leave expense		1,042 26	11
Superannuation		90	77
Workers' Compensation Insurance		50	43
Less: Capitalised and distributed costs		(14)	(57)
Total Operating Employee Costs	_	1,194	1,025
Tabul North or of Southern	_		
Total Number of Employees (Full time equivalent at end of reporting period)		11	10
(Full time equivalent at end of reporting period)			
MATERIALS, CONTRACTS & OTHER EXPENSES			
Prescribed Expenses			
Auditor's Remuneration			
- Auditing the financial reports		16 37	19 43
Board Expenses Operating Lease Rentals - cancellable leases		3/	3
Subtotal - Prescribed Expenses	_	53	65
	_		
Other Materials, Contracts & Expenses			
Contractors		238	227
Fuel		135	104
Equipment Hire		19	12
Maintenance		299	391
Legal Expenses		14	55
Levies paid- EPA Levy		8,018	5,582
Professional services		20	41
Southern Recycling Centre		60	10
Sundry	_	384	361
Subtotal - Other Materials, Contracts & Expenses	_	9,187 9,240	6,783
	=	3,240	0,040

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 3 - EXPENSES (cont)			
		2017	2016
	Notes	\$'000	\$'000
DEPRECIATION, AMORTISATION & IMPAIRMEN	т		
Depreciation			
Landfill Construction		488	401
Buildings & Waste Facility		99	45
Plant & Equipment		362	338
Impairment	6		
	_	949	784
OTHER EXPENSES			
Transfer to Provision of Cell 3-1 & 3-2 Capping		78	75
	_	78	75
Note 4 - ASSET DISPOSAL &	EAID VA	IIIE ADIIISTMEN	TC
	FAIR VA	LOE ADJOSTIVIEN	13
PROPERTY, PLANT & EQUIPMENT			_
Proceeds from disposal		163	5
Less: Carrying amount of assets sold	_	(145)	
Gain (Loss) on disposal	_	18	5
NET GAIN (LOSS) ON DISPOSAL OF ASSETS	_	18	5
Note 5 - CUR	RENT ASS	ETS	
CASH & EQUIVALENT ASSETS			
Cash on Hand and at Bank		3,787	1,304
Short Term Deposits & Bills, etc		16,153	17,765
Short renni Beposits & Bills, etc	_	19,940	19,069
	_	25,540	13,003
TRADE & OTHER RECEIVABLES			
Accrued Revenues		19	25
Debtors - general		1,994	823
Prepayments		12	19
	_	2,025	867
INVENTORIES			
Stores & Materials			48
		-	48

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 6 - PROPERTY, PLANT & EQUIPMENT

		20	16			20)17	
		\$'(000			\$'(000	
	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT	AT FAIR VALUE	AT COST	ACCUM DEP'N	CARRYING AMOUNT
Land	1,427	400	-	1,827	1,427	400	-	1,827
Buildings	560	780	(41)	1,299	560	3,825	(351)	4,034
Waste Facility		312	(211)	101	-	-	-	-
Plant & Equipment	-	4,220	(2,720)	1,500	-	4,150	(2,358)	1,792
Motor Vehicles	-	74	(13)	61	-	-	-	-
Office Equipment	-	126	(113)	13	-	132	(102)	30
Landfill Construction:								
Landfill Cell 3-1 & 3-2	-	5,293	(5,293)	-	-	-	-	-
Landfill Cell's 3-1 & 3-2 Capping	-	828	(828)	-	-	-	-	-
Cell 3-3 & 3-4 (Lower)	-	3,705	(3,264)	441	-	-	-	-
Cell 3-3 & 3-4 (Lower) Capping	-	2,755	(588)	2,167	-	-	-	-
Cell 4	-	3,607	(1,432)	2,175	-	-	-	-
Cell 4 (Capping)	-	1,727	(991)	736	-	-	-	-
Super Cell	-	-	-	-		7,436	(4,867)	2,569
Super Cell Capping	-	-	-	-		4,737	(1,777)	2,960
Post Clsoure Rehabilitation	-	5,733	(5,733)	-	-	5,851	(5,740)	111
Future Restoration Costs	-	4,028	(2,384)	1,644	-	4,159	(2,495)	1,664
Work in Progress	-	2,497	-	2,497	-	94	-	94
TOTAL PROPERTY, PLANT & EQUIPMENT	1,987	36,085	(23,611)	14,461	1,987	30,784	(17,690)	15,081
Comparatives	1,987	33,320	(18,693)	16,614	1,987	33,320	(18,693)	16,614

This Note continues on the following pages.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 6 - PROPERTY, PLANT & EQUIPMENT

	2016		CARRYING AMOUNT MOVEMENTS DURING YEAR						
	\$'000				\$'000				\$'000
	CARRYING	Addi		Disposals	Depreciation	Impairment	Adjustments	Transfer	CARRYING
	AMOUNT	Capital	Renewals	-					AMOUNT
Land	1,827	-	-	-	-	-	-	-	1,827
Buildings	1,299	714	-	-	(99)	-	2,120	-	4,034
Waste Facility	101	-	-	-	-	-	(101)	-	-
Plant & Equipment	1,500	-	732	(145)	(356)	-	61	-	1,792
Motor Vehicles	61	-	-	-	-	-	(61)	-	-
Office Equipment	13	-	23	-	(6)	-	-	-	30
Landfill Construction:									
Landfill Cell 3-1 & 3-2	-	-	-	-	-	-	-	-	-
Landfill Cell's 3-1 & 3-2 Capping	-	-	-	-	-	-	-	-	-
Cell 3-3 & 3-4 (Lower)	441	-	-	-	-	-	(441)	-	-
Cell 3-3 & 3-4 (Lower) Capping	2,167	-	-	-	-	-	(2,167)	-	-
Cell 4	2,175	-	-	-	-	-	(2,175)	-	-
Cell 4 (Capping)	736	-	-	-	-	-	(736)	-	-
Super Cell	-	126	-	-	(173)	-	2,616	-	2,569
Super Cell Capping	-	254	-	-	(197)	-	2,903	-	2,960
Post Closure Rehabilitation	-	118	-	-	(7)	-	-	-	111
Future Restoration Costs	1,644	131	-	-	(111)	-	-	-	1,664
Work in Progress	2,497	-	-	-	-	-	(2,019)	(384)	94
TOTAL PROPERTY, PLANT & EQUIPMENT	14,461	1,343	755	(145)	(949)	-	-	(384)	15,081
Comparatives	16,614	3,068	39	(60)	(784)		(4,416)	-	14,461

This Note continues on the following pages.

st Work in Prgress transfer of \$0.384 million relates to asset contributed to the Southern Recycling Centre Joint Venture.

Total

SOUTHERN REGION WASTE RESOURCE AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2017

	Not	e 7 - LIABIL	ITIES			
		20	17	2016		
		\$'0	000	\$'000		
TRADE & OTHER PAYABLES	Notes	Current	Non-current	Current	Non-current	
Goods & Services		2,469	-	1,190	-	
Accrued expenses - other		60		175	-	
		2,529	-	1,365	-	
PROVISIONS						
Annual Leave		78	-	74	-	
Long Service Leave		71	32	62	20	
Post Closure Rehabilitation		-	3,772	-	3,654	
Cell Capping - 3-1 & 3-2		-	2,474	-	2,396	
Cell Capping - 3-3 & 3-4 (Lower)		-	2,845	-	2,755	
Cell 4 Capping		-	1,892	-	1,727	
Future Restoration Costs		-	4,159		4,028	
		149	15,174	136	14,580	
Movements in Provisions - 2017 year only (current & non-current)		Opening Balance	Additional Amounts Recognised/ (Derecognised)	Payments	Closing Balance	
Post Closure Rehabilitation		3,654	118	-	3,772	
Cell Capping -3-1 & 3-2		2,396	78	-	2,474	
Cell Capping - 3-3 & 3-4 (Lower)		2,755	90	-	2,845	
Cell 4 Capping		1,727	165	-	1,892	
Future Restoration Costs		4,028	131	-	4,159	

14,560

582

15,142

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 8 - RECONCILIATION OF CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Statement of Financial Position as follows:

Total cash & equivalent assets	Notes 5	2017 \$'000 19,940	2016 \$'000 19,069
Less: Short-term borrowings	_	<u>-</u>	
Balances per Cash Flow Statement		19,940	19,069
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities Net Surplus (Deficit)		1.375	1,800
Non-cash items in Income Statement		1,373	1,800
Depreciation, amortisation & impairment		949	784
Net (Gain) loss in Equity Movement Joint Venture		(265)	20
Net (Gain) Loss on Disposals		(45)	(5)
		2,014	2,599
Add (Less): Changes in Net Current Assets Net (increase) decrease in receivables Net (increase) decrease in inventories Net (increase) decrease in other current assets Net increase (decrease) in trade & other payables Net increase (decrease) in other provisions Net Cash provided by (or used in) operations		(1,018) 48 - 1,166 (10) 2,200	182 1 (49) (141) 2,592
(c) Non-Cash Financing and Investing Activities			
Acquisition of assets by means of: - Physical resources received free of charge - Non-cash grants & contributions - Amounts recognised in Income Statement - Finance Leases		- - - - -	- - - - -
(d) Financing Arrangements			
Unrestricted access was available at balance date to the fo Corporate Credit Cards	llowing l	ines of credit: 18	18

The Authority has no bank overdraft facility.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 9 - FINANCIAL INSTRUMENTS

Recognised Financial Instruments

	Terms & conditions: Liabilities are normally settled on 30 day terms. Carrying amount: approximates fair value.
Liabilities - Creditors and Accruals	Accounting Policy: Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Authority.
	Carrying amount: approximates fair value (after deduction of any allowance).
Charges	doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.
Receivables - Gate Fees & Associated	Accounting Policy: Carried at nominal values less any allowance for doubtful debts. An allowance for
	Carrying amount: approximates fair value due to the short term to maturity.
	term deposits have an average maturity of 90 days (2016: 90 days).
Deposits	Terms & conditions: Deposits are returning fixed interest rates of 1.25 - 2.5% (2016: 1.5 - 2.8%). Short
	Accounting Policy: Carried at lower of cost and net realisable value; Interest is recognised when earned.

Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

Risk Exposures

<u>Credit Risk</u> represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and the ANZ Bank. There is no material exposure to any individual debtor.

<u>Market Risk</u> is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor <u>currency risk</u> apply.

<u>Liquidity Risk</u> is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 9 (cont) - FINANCIAL INSTRUMENTS

	Floating	Fixed	d interest ma	aturing in		Non-	
	Interest	≤ 1 year	> 1 year	> 5 yea	rs	interest	Total
	Rate		≤ 5 years			bearing	
	\$'000	\$'000	\$'000	\$'0	000	\$'000	\$'000
	3,787	16,153		-	-	-	19,940
	-	-			-	2,025	2,025
Total	3,787	16,153		-	-	2,025	21,965
_	1.25%	2.50%				·	
	-	-			-	2,529	2,529
Total	-	-		-	-	2,529	2,529
_							
OVER							
	3,787	16,153		-	-	(504)	19,436
_							
	Floating	Fixed	d interest ma	aturing in		Non-	
	Interest	≤ 1 year	> 1 year	> 5 yea	rs	interest	Total
	Rate		≤ 5 years			bearing	
	\$'000	\$'000	\$'000	\$'0	000	\$'000	\$'000
	1,304	17,765		-	-	-	19,06
	-	-			-	867	867
Total	1,304	17,765			-	867	19,936
_	1.50%	2.80%					
	-	-		-	_	1,365	1,365
Total _	-			-	-	1,365 1,365	
Total _	-	-		-	-		1,365 1,365
	Total	Interest Rate \$'000	Interest ≤1 year Rate \$'000 \$'000 3,787 16,153	Interest ≤1 year >1 year ≤5 years ≤5 years ≤5 years ≤5 years ≤6 years ≤6 years ≤6 years ≤6 years ≤6 years ≤7 year ≤7 year ≤7 year ≤7 year ≤7 year ≤7 years ≤7 y	Interest ≤1 year >1 year >5 year Rate ≤5 years \$'000 \$'000 \$'000 \$'0 3,787 16,153 - Total 3,787 16,153 - Total - - - Total - - - Floating Fixed interest maturing in Interest ≤1 year >1 year >5 year Rate ≤5 years \$'000 \$'000 \$'000 \$'0 1,304 17,765 - Total 1,304 17,765 -	Interest ≤ 1 year > 1 year > 5 years	Interest ≤1 year >1 year >5 years bearing

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2017

Note 10 - COMMITMENTS FOR EXPENDITURE

	Notes	2017 \$'000	2016 \$'000
Capital Commitments	110100	7	7
Capital expenditure committed for at the reporting statements as liabilities:	date but	not recognised	in the financial
Resource Recovery Facility		<u> </u>	<u>527</u>
These expenditures are payable:			
Not later than one year		-	527
Later than one year and not later than 5 years		-	-
Later than 5 years			-
			527
Other Expenditure Commitments			
Other expenditure committed for (excluding inventories the financial statements as liabilities:	s) at the re	porting date but n	ot recognised in
Audit Services		55	73
These expenditures are payable:		55	73
Not later than one year		18	18
Later than one year and not later than 5 years		37	55
Later than 5 years		-	-
2000 7 00.0		55	73

NOTE 11 - CONTINGENCIES & ASSETS & LIABILITIES NOT RECOGNISED IN THE STATEMENT OF FINANCIAL PERFROMANCE

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position but knowledge of those items is considered relevant to users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. Potential Insurance Losses

The Authority insures against all known insurable risks using a range of insurance policies, each of which is subject to a deductible "insurance excess", the amount of which varies according to the class of insurance.

2. Legal Expenses

All known costs have been recognised.

Note 12 - EVENTS OCCURRING AFTER REPORTING DATE

There were no events subsequent to 30 June 2017 that need to be disclosed in the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 13 - UNIFORM PRESENTATION OF FINANCES

The following is a high level summary of both operating and capital investment activities of the Authority prepared on a uniform and consistent basis. The uniform presentation represents a simplified version of reporting under the Government Finance Statistics (GFS) framework of the Australian Bureau of Statistics.

	2017 \$'000	2016 \$'000
Income	12,678	10,547
less Expenses	(11,461)	(8,752)
Operating Surplus / (Deficit)	1,217	1,795
less Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	754	39
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	(1,027)	(859)
Proceeds from Sale of Replaced Assets	-	-
-	(273)	(820)
less Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	863	2,739
Amounts received specifically for New and Upgraded Assets	-	-
Proceeds from Sale of Surplus Assets	(163)	(5)
-	700	2,734
Net Lending / (Borrowing) for Financial Year	790	(119)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 14 - DISCLOSURES OF RELATED PARTY TRANSACTIONS

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 4 persons were paid the following total compensation:

	2017
	\$'000
Salaries, allowances & other short term benefits	420
Post-employment benefits	-
Long term benefits	39
Termination Benefits	-
TOTAL	459

Transactions with Related Parties:

The following transactions occurred with Related Parties:

Related Party Entity	Sale of Goods and Services (\$'000)	Amounts Outstanding from Related Parties (\$'000)	Description of Services Provided to Related Parties
City of Onkaparinga	4,080	343	Provision of waste disposal services
City of Holdfast Bay	697	35	Provision of waste disposal services
City of Marion	1,776	167	Provision of waste disposal services

 $Amounts\ recorded\ as\ outstanding\ from\ Related\ Parties\ are\ recorded\ in\ Trade\ and\ other\ receivables\ in\ Note\ 5.$

The Related Parties disclosed above are equity owners of the Authority and are referred to as Member Councils. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the financial year ended 30 June 2017

Note 15 - EQUITY ACCOUNTED JOINT VENTURE

Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services Pty Ltd to operate the Southern Recycling Centre located on the Authority's landfill site.

	2017 \$'000	2016 \$'000
The Authority's respective interests are:	¥ 000	\$ 555
- interest in operating result:	49.99%	49.99%
- ownership of equity	49.99%	49.99%
the proportion of voting power	50.00%	50.00%
Movement in Investment in Joint Operation:		
Opening Balance	164	189
New Capital Contributions	405	145
Share in Operating Result	71	124
Equity Adjustment	194	(144)
Distributions Received	(125)	(150)
Share in Equity of Joint Operation	709	164

Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 16 - FAIR VALUE MEASUREMENTS

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

(a) Fair value hierarchy

AASB 13: Fair Value Measurement requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active	Measurements based on inputs other than quoted prices included	Measurements based on unobservable inputs for the asset or
markets for identical assets or	in Level 1 that are observable for	liability.
liabilities that the entity can access	the asset or liability, either directly	
at the measurement date.	or indirectly.	

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- Market approach: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- Income approach: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- Cost approach: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 16 - FAIR VALUE MEASUREMENTS (Cont.)

The following tables provide the fair values of the Authority's assets measured and recognised on a recurring basis after initial recognition, categorised within the fair value hierarchy.

	Note	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
2017					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,427	-	1,427
- Buildings	6		560	-	560
Total financial assets recognised at fair value			1,987	-	1,987
2016					
Recurring fair value measurements					
Infrastructure, Property, Plant & Equipment					
- Land	6	-	1,427	-	1,427
- Buildings	6		560	-	560
Total financial assets recognised at fair value			1,987	-	1,987

(b) Disclosed fair value measurements

The following table provides the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

	Fair Value Hierarchy Level	Valuation Technique	Inputs Used
There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.	2	Market Value	Observable sales of similar properties – both vacant land and land with improvements

Date Printed: 16 November 2017

Presiding Member Southern Region Waste Resource Authority Audit Committee – Auditor Independence

I, Greg Connor the person occupying the position of Presiding Member of the Southern Region Waste Resource Authority's Audit Committee, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the Southern Region Waste Resource Authority, Galpins, has not been engaged by the Southern Region Waste Resource Authority to provide services to the Southern Region Waste Resource Authority outside of the scope of the audit functions under the Local Government Act 1999.

Greg Connor

Presiding Member

Southern Region Waste Resource Authority Audit Committee

Date Printed: 16 November 2017

Galpins

Accountants, Auditors & Business Consultants

David Chant FCPA Simon Smith FCPA David Sullivan CPA Jason Seidel ca Renae Nicholson ca Tim Muhlhausler ca Aaron Coonan ca Luke Williams CPA

SOUTHERN REGION WASTE RESOURCE AUTHORITY

GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2017

Statement by Auditor

I confirm that, for the audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2017, I have maintained my independence in accordance with the requirements of APES 110 - Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) Local Government (Financial Management) Regulation 2011.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Luke Williams CPA Registered Company Auditor

31 / 08 / 2017

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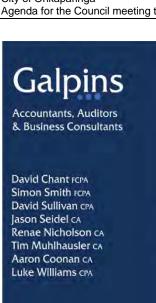
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

We have audited the compliance of the Southern Region Waste Resource Authority ("the Authority") with the requirements of Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2016 to 30 June 2017 have been conducted properly and in accordance with law.

The Authority's Responsibility for Internal controls

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the Local Government Act 1999 to ensure that the receipt, expenditure and investment of money, with acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Auditor's responsibility

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the Local Government Act 1999 in relation only to the Internal Controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with the law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the Local Government Act 1999 in relation only to the internal controls specified above for the period 1 July 2016 to 30 June 2017. ASAE 3100 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design of controls on a sample basis based on the assess risk.

Limitation of Use

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This report has been prepared for the members of the Authority in Accordance with Section 129 of the Local Government Act 1999 in relation to the Internal Controls Specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than which it was prepared.

Inherent Limitation.

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not to be detected. An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Opinion

In our opinion, the Authority has complied, in all material respects, with Section 125 of the Local Government Act 1999 in relation to Internal controls established by the Authority relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the authority have been conducted properly and in accordance with law for the year ended 30 June 2017.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

Luke Williams CPA Registered Company Auditor

Partner

31/08/2017



Accountants, Auditors & Business Consultants

David Chant FCPA Simon Smith FCPA David Sullivan CPA Jason Seidel CA Renae Nicholson ca Tim Muhlhausler ca Aaron Coonan ca Luke Williams CPA

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INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of the Southern Region Waste Resource Authority ("the Authority"), which comprises the balance sheet as at 30 June 2017, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by the Executive Officer and the Chairman.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2017, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility for the Financial Report

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The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal control as the Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error,
 design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient
 and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting
 from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional
 omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to audit in order to design audit procedures that are
 appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of
 the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS

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Luke Williams CPA Registered Company Auditor

Partner

31 / 08 / 2017



Your Ref:

Chief Executive Officer's Certificate of Compliance – Auditor Independence Southern Region Waste Resource Authority

I, Mark Dowd the person for the time being occupying the position of Chief Executive Officer of the City of Onkaparinga, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.

Mark Dowd

Chief Executive Officer City of Onkaparinga 31/08/2017 Dated



City of Onkaparinga PO Box 1 Noarlunga Centre South Australia 5168 www.onkaparingacity.com Noarlunga office Ramsay Place Noarlunga Centre Telephone (08) 8384 0666 Facsimile (08) 8382 8744 Aberfoyle Park office The Hub Aberfoyle Park Telephone (08) 8384 0666 Facsimile (08) 8382 8744 Willunga office St Peters Terrace Willunga Telephone (08) 8384 0666 Facsimile (08) 8382 8744

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F (08) 8375 6699 E council@marion.sa.gov.au

Chief Executive Officer's Certificate of Compliance – Auditor Independence Southern Region Waste Resource Authority

I, Adrian Skull, the person for the time being occupying the position of Acting Chief Executive Officer of the City of Marion, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.

Adrian Skull

Chief Executive Officer

City of Marion

30,8,17

Dated

The City of Marion acknowledges it is part of Kauma land and recognises the Kauma people as the traditional and continuing custodians of the land.





@CityofMarion



City of Marion



@CityofMarion

marion.sa.gov.au



holdfast.sa.gov.au

Brighton Civic Centre 24 Jetty Road, Brighton SA 5048 PO Box 19 Brighton SA 5048 P 08 8229 9999 F 08 8298 4561 Glenelg Customer Service Centre and Library 2 Colley Terrace, Glenelg SA 5045

Chief Executive Officer's Certificate of Compliance – Auditor Independence Southern Region Waste Resource Authority

I, Justin Lynch, the person for the time being occupying the position of Chief Executive Officer of the City of Holdfast Bay, being a Constituent Council of the Southern Region Waste Resource Authority, do hereby certify (for the purposes of Regulation 22 (3) of the Local Government (Financial Management) Regulations 2011), that the auditor of the subsidiary, Galpins, has not been engaged by the subsidiary to provide services to the subsidiary outside of the scope of the audit functions under the Local Government Act 1999.

Chief Executive Officer City of Holdfast Bay .31../8./.17.. Dated



Attendance at Board Meetings

July 2016 - June 2017

BOARD MEETINGS	A	В
BOARD MEMBERS		
Chairman Mark Booth	6	5
Trish Aukett	6	4
Kirk Richardson	6	4
Vincent Mifsud	6	4
Paul Harwood (resigned May 2017)	6	6
Lynda Yates	6	4
Ian Crossland	6	4
DEPUTY BOARD MEMBERS Please Note: Deputy Board Members are only required to attend a Board Meeting when the Board Member is an apology.		
Nick Kerry		0
John Smedley	11	3
Heidi Greaves		1

A = Number of meetings held during the period 1 July 2016 to 30 June 2017 during the time the Board Member or the Deputy Board Member was a member of the Board.

B = Number of meetings attended by the Board Member or Deputy Board Member from 1 July 2016 to 30 June 2017.

Attendance at Audit Committee Meetings

July 2016 - June 2017

AUDIT COMMITTEE MEETINGS	A	В
Chairman Greg Connor	4	4
Vicki Brown	4	4
David Powell	4	4
Mark Booth	4	4
Paul Harwood (SRWRA Deputy Representative) (resigned May 2017)	4	1

A = Number of meetings held during the period 1 July 2016 to 30 June 2017 during the time the Audit Committee Member was a member of the Committee.

B = Number of meetings attended by the Audit Committee Board Member from 1 July 2016 to 30 June 2017.



Performance Against Business Plan

Each year SRWRA prepares an Annual Business Plan that is submitted to the Constituent Councils detailing its aims and objectives.

Aims and objectives	
Operating Surplus is maintained	Achieved
Meet all legislative requirements (WHS, EPA, Zero Waste)	Achieved
Asset Management plans are in place	Achieved
Grow the revenue (to offset a reduction in the forecast SRWRA revenue)	Achieved
Capital works program is planned and funded i.e. cell construction (link to LTFP).	Achieved
Development of a Bio-Pad, Bailing field and Hard-Stand/Capped operational area	In Progress





SRWRA Constituent Councils







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Date Printed: 16 November 2017

9.3 Council Solutions Regional Authority 2016-17 Annual Report

This is a regular or standard report.

Manager: Darren Styler (Manager Finance)

Report Author: Sonia Sghendo (Team Leader Financial Accounting)

Contact Number: 8384 0613

Attachment: 1. Council Solutions Regional Authority Annual Report for

the year ended 30 June 2017 (32 pages)

1. Purpose

This report presents the annual report for the year ended 30 June 2017 for Council's subsidiary Council Solutions Regional Authority (CSRA) for Council's information.

2. Recommendation

That Council note the 2016-17 annual report for Council Solutions Regional Authority that will be included in the 2016-17 City of Onkaparinga annual report.

3. Background

Section 131 of the *Local Government Act 1999* (the Act) stipulates that 'A Council must, on or before 30 November each year, prepare and adopt an annual report relating to the operations of the council for the financial year ending on the preceding 30 June'.

As detailed in the Act, the council's annual report must incorporate 'the material specified in Schedule 4 as amended from time to time by regulation'. Schedule 4 of the Act requires the inclusion of subsidiary annual reports in council's annual report.

The 2016-17 annual report for CSRA is attached for Council's information.

4. Financial Implications

None.

5. Risk and Opportunity Management

Risk	
Identify	Mitigation
Failure to comply with requirements of the <i>Local Government Act 1999</i> and associated standards / legislation, results in a breach of the Act.	The year-end timetable adheres to the timelines stipulated in the Act for the sign off and filing of the annual report. We are currently adhering to the timeline set and therefore believe this risk is appropriately mitigated.



Council Solutions is a joint initiative of the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully that make up the Constituent Councils.

Established in 2012 as a Regional Authority in accordance with Section 43 of the *Local Government Act* 1999, Council Solutions provides a collaborative and strategic approach to the procurement of goods and services on behalf of its Constituent Councils, including negotiating and managing contracts, and investigating the provision of other shared functions.

This collaborative approach to procurement not only provides significant purchasing power to attain the best value for the community, but it also optimises the financial sustainability of each of the Constituent Councils by reducing administrative costs, the number of tender processes and replicated contract management activities.

The goal of Council Solutions is to improve community prosperity and wellbeing by undertaking local government procurement and collaborative services that:

- Deliver best value for money
- Explore innovative ways of delivering infrastructure and services
- Value partnership between councils and suppliers

Background

Council Solutions provides the legal structure to the G6 Procurement Group formed in 1994 by the Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully to address the combined \$415 million annual spend on infrastructure and services by these Constituent Councils.

Ministerial approval was given for the Council Solutions Regional Authority to be established by notice in the SA Government Gazette on 20 December 2012. The Gazette states the purpose of the Authority as "promoting procurement and service delivery amongst the constituent councils."

As a South Australian local government body, it is governed by the:

- * Local Government Act 1999
- Local Government (Financial Management) Regulations 2011
- Council Solutions Regional Authority Charter 2012

Council Solutions Regional Authority

25 Pirie St, Adelaide SA 5000 councilsolutions.sa.gov.au

ABN 92 168 067 160

Date prepared: 30 September 2017

ANNUAL REPORT 2016/17

Foreword from the Chair

Council Solutions continues to optimise the financial sustainability of Constituent Councils through the benefits of collaborative strategic procurement and contract management.

In the past financial year the value of Council expenditure managed under Council Solutions collaborative procurement arrangements grew by 23% to in excess of \$63.5 million.

In August 2016 the Board of Management approved the Council Solutions Regional Forward Procurement Plan (RFPP). The RFPP schedules procurement activity across target expenditure categories and in accordance with the first wave of categories identified, Council Solutions established new contracts for use by Constituent Councils for Architectural Services, Provision of Over the Counter Postal Transaction Services, Debt Collection Services and Postal Services.

In order to support enhanced and efficient procurement processes Council Solutions also implemented the VendorPanel software for use by Constituent Councils when purchasing from collaborative contracts. The implementation of the VendorPanel software system is the second common software application implemented by Council Solutions for use by all Constituent Councils, building upon the roll out of the Procurement Dashboard expenditure analysis and profiling software.

Council Solutions achieved a favourable performance against budget and maintains a strong equity position. I thank our Audit Committee who supports us in achieving the highest standards of accountability, transparency and governance.

I would also like to acknowledge Ian Thompson for his contribution as a Senior Procurement Officer from November 2014 to May 2017 and thank Oliver Barry, Chief Executive Officer, Council Solutions, his team and the Board of Management for their commitment, dedication and support.

Catherine Cooper

Chair of the Board, Council Solutions Regional Authority



Report from the Chief Executive Officer

Over the last 12 months Council Solutions has continued to build upon the value provided to its Constituent Councils. A Regional Forward Procurement Plan (RFPP) was developed and approved by the Board of Management providing a road map of collaborative procurement opportunities to deliver best value outcomes for Councils and ratepayers. In accordance with the RFPP new contracts were made available for Architectural Services, Provision of Over the Counter Postal Transaction Services, Debt Collection Services and Postal Services.

The past year has seen 23% growth in the value of Council expenditure managed under Council Solutions procurement arrangements to a total in excess of \$63.5 million.

Council Solutions has established a cooperative relationship with LGA Procurement and developed a Memorandum of Understanding between the organisations providing the basis for collaboration in procurement and contracting.

The VendorPanel software system was rolled out across the Constituent Councils automating access and streamlining the use of Council Solutions panel contracts. This builds upon the previous implementation of the Procurement Dashboard expenditure analysis and profiling software and establishes both common front end (sourcing) and back end (spend analysis) software applications across all Constituent Councils and Council Solutions.

I thank the Board for their support and the Council Solutions team: Taryn Alderdice, Clare Couper, Tim Dawson, Audrey Rangel and Tammy Sheridan and previous team member Ian Thompson.

I look forward to continuing to work with our key stakeholders across the Constituent Councils to achieve optimum collaborative procurement outcomes.

Oliver Barry

Chief Executive Officer, Council Solutions Regional Authority

Board of Management 2017



Independent Chairperson Ms Catherine Cooper



City of Adelaide Mr Mark Goldstone



City of Charles Sturt Mr Paul Sutton



City of Marion Mr Adrian Skull



City of Onkaparinga Mr Mark Dowd



City of Salisbury Mr John Harry



City of Tea Tree Gully Mr John Moyle

5

ANNUAL REPORT 2016/17

Board of Management 2017

Council Solutions is a body corporate, governed by a Board of Management, comprising seven members being the Chief Executive Officer from each Constituent Council: The Cities of Adelaide, Charles Sturt, Marion, Onkaparinga, Salisbury and Tea Tree Gully, and one person who is not a member or officer of a Constituent Council who holds the position of Chair.

The Board held six formal meetings during the year to consider the strategic direction and financial integrity of the organisation. Attendance at meetings was as follows:

Board Position	Board Member	Meetings Attended
Independent Chairperson	Ms Catherine Cooper	5
City of Adelaide	Mr Mark Goldstone, CEO	5
City of Charles Sturt	Mr Paul Sutton, CEO	4
City of Marion	Mr Adrian Skull, CEO	6
City of Onkaparinga	Mr Mark Dowd, CEO	5
City of Salisbury	Mr John Harry, CEO	5
City of Tea Tree Gully	Mr John Moyle, CEO	5

Audit Committee

The Council Solutions Board is supported by one designated committee being the Audit Committee which is formally appointed pursuant to the requirements under the Local Government Act 1999 (the Act) and the Local Government (Financial Management) Regulations 2013.

The function of the Audit Committee includes reviewing annual financial statements to ensure that they present fairly the state of affairs of the Authority and reviewing the adequacy of financial management systems and practices. The Audit Committee is governed by a terms of reference with the work flow controlled by an Audit Committee Work Program. The Audit Committee Work program is updated after each meeting to reflect Committee achievements as well as to include actions arising from the meeting as well as from Board meetings.

Please refer to Appendix B for a report on the activities undertaken by the Audit Committee throughout the 2016-17 financial year

ANNUAL REPORT 2016/17

Governance and Operating Framework

Led by the Chief Executive Officer, Council Solutions works in partnership with its Constituent Councils to deliver value outcomes.

This is supported by the expertise of staff at Constituent Councils, applied through a structured operating management framework providing the oversight, advisory and/or operational input to the Council Solutions team.

The operating framework comprises the following groups:

- Council Solutions Directorate;
- Procurement Leaders Group; and
- Contract Development (and management) Teams.

This framework enables Council Solutions to:

- Develop and maintain a strong collaborative culture that is the key to its ongoing success;
- Solicit strategic input, influence and hands-on involvement from its Constituent Councils; and
- Provide a service that delivers value to its Constituent Councils.

Structure and Staffing

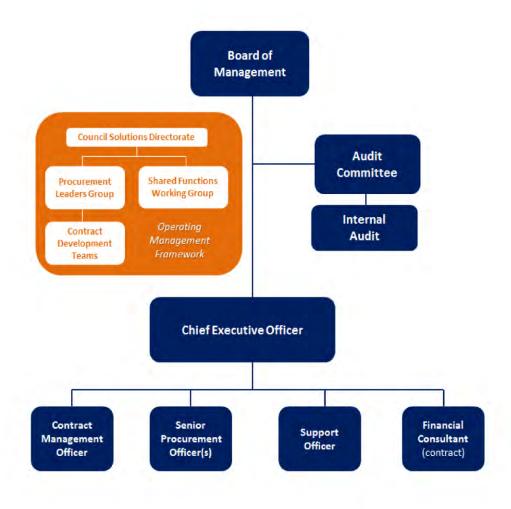
As at 30 June 2017, Council Solutions comprised six staff (5.4 FTE) delivering expertise in management, procurement, contract management, governance and policy and administration. In addition, support has also been provided to the team by Rex Mooney, Financial Consultant.

The Council Solutions team comprises:

- Chief Executive Officer Oliver Barry
- · Contract Management Officer Taryn Alderdice
- Senior Procurement Officers Clare Coupar, Tammy Sheridan, Tim Dawson
- Support Officer

 Audrey Rangel

Governance and Organisation Structure



ANNUAL REPORT 2016/17

Achievements 2016-2017

In August 2016 the Board of Management approved the Council Solutions Regional Forward Procurement Plan (RFPP). The RFPP establishes a 3 year collaborative procurement plan providing a road map that schedules procurement activity across target expenditure categories.

In accordance with the first wave of categories identified in the RFPP, Council Solutions established new contracts for use by Constituent Councils for the following:

Architectural Services

The panel contract provides access to high quality Contractors across the following service disciplines: Architectural Services, Landscape Architectural Services and Urban Design Services. The contract provides significantly discounted rates across the service disciplines and full contractual compliance including key provisions regarding Intellectual Property and Liability.

Provision of Over the Counter Postal Transaction Services (Postbillpay)

Council Solutions negotiated the establishment of a single common agreement for all Constituent Councils with Australia Post for the provision of Over the Counter Transactional Services (Postbillpay). The contract provides significant reductions in the rates for Phone, Internet, Scan & Pay and In Person postbillpay transaction services.

Debt Collection Services

Council Solutions established a panel contract for the provision of Debt Collection services via the LGA Procurement Agreement. The services include collection of outstanding Council rates, sundry debtors and other general charges. The contract provides the capacity to meet council debt collection volumes whilst ensuring high quality service provision at a competitive cost.

Postal Services

Council Solutions negotiated access on behalf of all Constituent Councils to the Department of the Premier and Cabinet Across Government Agreement with Australia Post. The scope of services includes access to discounted rates for Parcel Services, Courier & Freight Services, Customer Data Cleansing Services, Print Post, Unaddressed Mail and Clean Mail - Bulk Pre Sort.

Contract Extensions

In addition, over the past 12 months Councils Solutions has facilitated the extension of 6 existing collaborative contract arrangements across 18 suppliers with a combined total value in excess of \$6 million per annum.

VendorPanel Software

In order to support enhanced and efficient procurement processes Council Solutions also implemented the VendorPanel software for use by Constituent Councils when purchasing from collaborative contracts. VendorPanel is a software application that helps to increase value and reduce risk in procurement and is being used by Council Solutions to:

- Provide embedded access of Council Solutions Contracts and Panels to all Constituent Councils;
- Simplify and streamline RFQ processes undertaken by Constituent Councils when purchasing from contracts;
- Access and share with Councils enhanced contract management systems;

9

ANNUAL REPORT 2016/17

- Automate contract compliance e.g. via the automated maintenance of supplier insurance requirements; and
- Support increased visibility and oversight of sourcing processes.

The implementation of the VendorPanel software system is the second common software application implemented by Council Solutions for use by all Constituent Councils, building upon the roll out of the Procurement Dashboard expenditure analysis and profiling software.

Cost and Service Optimisation Project

Council Solutions engaged specialist professional services to assist Councils to improve their cost and service effectiveness including assurance reviews of major revenue streams, cost items and budgets.

People

Council Solutions is a small and dedicated team comprising expertise in strategic procurement, contract management, legal and data analysis skills.

To address capacity and to assist in supporting delivery of procurements targeted in the Regional Forward Procurement Plan, Mr Tim Dawson, Senior Procurement Officer was appointed in August 2016.

Finance

Council Solutions achieved a favourable performance against budget and maintains a strong equity position. Council Solutions has reported a deficit operating result of \$76,000 for the financial year ending 30 June 2017. An original deficit of \$131,000 was budgeted for with the intention of funding this deficit from cash reserves that were generated from prior period surpluses. The final result is \$55,000 better than originally budgeted. This has been achieved due to a lower level of operating expenditure being required than initially budgeted for.

Management fee revenue has increased by \$235,000 when compared with the amount earnt in 2015-16 financial year. This reflects an increase in usage by the Constituent Councils of Council Solutions contracts.

Operating expenditure varies from year to year based on the level of consultancy and legal services required to deliver the various projects agreed to in the Regional Forward Procurement Plan. The original budget estimated operating expenses to be \$1.363M for the year, the final result of \$1.310M is \$53,000 less than budget. Income of \$1.232M was included in the original budget with the actual amount being \$1.234M a \$2,000 surplus.

As net financial assets have only reduced by \$76,000 the Authority has maintained its high level of cash reserves.

ANNUAL REPORT 2016/17

Procurement and Contract Management

The total combined procurement expenditure by Constituent Councils is approximately \$415 million per annum, providing a compelling opportunity for collaboration to drive best value for the Constituent Councils.

During 2016/17 more than \$63.5 million of Council expenditure was undertaken utilising Council Solutions collaborative contract arrangements. This represents an increase of 23% on the previous year. Our suite of contracts cover a diverse and comprehensive range of goods and services utilised by Councils including Finance & Professional Services, Human Resources, Roads Infrastructure, Facilities Management and Parks & Gardens. Our strong focus on contract management is key to extracting value from the contracts for both Councils and suppliers.

In August 2016 the Regional Forward Procurement Plan was approved by the Board of Management providing a road map to target collaborative procurement opportunities to deliver improved outcomes for Councils and ratepayers. Council Solutions established new contracts for use by Constituent Councils for Architectural Services, Provision of Over the Counter Postal Transaction Services, Debt Collection Services and Postal Services in accordance with the first wave of categories identified.

Council Solutions Contract Management List: as at 30 June 2017

Contract	Contract Value \$ (2016/17 expenditure)
Bituminous Treatments For Various Roadworks	29,350,000
Temporary Labour Hire	14,940,000
Legal Services	3,380,000
Cleaning Services	3,470,000
Tree Removal, Pruning & Ancillary Services	2,800,000
Supply Or Supply & Install Of Segmental Pavers	2,730,000
Supply & Installation of Irrigation Systems	1,620,000
Leasing Finance of IT Equipment	1,460,000
Manufacture, Supply & Delivery Of Concrete	1,230,000
Supply, Supply & Delivery Of Quarry Materials	1,040,000
Roadworks – Crack Sealing	513,000
Supply, Installation And Repair Of Fencing	380,000
Provision of a Printing and Mailing Service for Rate & Dog Notices	230,000
Arboricultural Consultancy Advice Services	190,000
Design Consultancy of Irrigation Systems	160,000
Maintenance & Repair of Irrigation Systems	21,000
Provision Of Pest Control Services - European Wasps	13,800
Transactional Banking Services	Not Applicable

Date Printed: 16 November 2017

Financial Summary Report: as at 30 June 2017

Statement of Comprehensive Income	2017 \$'000	2016 \$'000
Income	1,234	1,053
Less: Operating expenses	1,310	1,059
Operating Surplus (Deficit) for the year	(76)	(6)
Total other comprehensive income		4
Comprehensive result for the year	(76)	(6)

Balance Sheet		
Current assets	334	657
Non-current assets	469	- 3
Total assets	803	657
Current liabilities	222	55
Non-current liabilities	55	- 9
Total liabilities	277	55
Net assets	526	602
Accumulated surplus	383	459
Share Capital	143	143
Total Equity	526	602

Appendix A

Council Solutions Regional Authority General Purpose Financial Reports for the year ending 30 June 2017

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Council Solutions Regional Authority Certification Of Financial Statements

for the year ending 30 June 2017

I have been authorised by the Council Solutions Regional Authority Board to certify the financial statements of the Council Solutions Regional Authority in their final form. In my opinion:

- The accompanying financial statements comply with the Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards.
- The financial statements present a true and fair view of the Council Solutions Regional Authority's financial position at 30 June 2017 and the results of its operations and cash flows for the financial year.
- Internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- The financial statements accurately reflect the Council Solutions Regional Authority's accounting and other records.

Catherine Cooper Chair Of The Board

Date: 22/68/2017

COUNCIL SOLUTIONS REGIONAL AUTHORITY STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 June 2017

	2017	2016
Notes	\$'000	\$'000
2	6	10
2	1,167	933
2	61	110
	1,234	1,053
3	1,310	1,058
	1,310	1,058
	(76)	(5)
	(76)	(5)
	de:	
	(76)	(5)
	2 2 2	Notes \$'000 2 6 2 1,167 2 61 1,234 3 1,310 1,310 (76)

This Statement is to be read in conjunction with the attached Notes.

COUNCIL SOLUTIONS REGIONAL AUTHORITY STATEMENT OF FINANCIAL POSITION as at 30 June 2017

		2017	2016
	Notes	\$'000	\$'000
ASSETS			
Current Assets			
Cash and cash equivalents		334	267
Receivables		469	390
Total Current Assets	4,7	803	657
Total Assets		803	657
LIABILITIES			
Current Liabilities			
Trade & Other Payables		222	28
Other Current Liabilities		55	27
Total Current Liabilities	5,7	277	55
Total Liabilities	5,7	277	55
NET ASSETS		526	602
EQUITY			
Accumulated Surplus		383	459
Share Capital		143	143
TOTAL EQUITY		526	602

This Statement is to be read in conjunction with the attached Notes.

COUNCIL SOLUTIONS REGIONAL AUTHORITY STATEMENT OF CHANGES IN EQUITY

for the year ended 30 June 2017

	Initial Contribution by Owners	Accumulated Surplus	Total
2017	\$'000	\$'000	\$'000
Opening Balance	143	459	602
Net Surplus for Year		(76)	(76)
Balance at end of period	143	383	526
	Initial Contribution by Owners	Accumulated Surplus	Total
2016	\$'000	\$'000	\$'000
Opening Balance	143	464	607
Net Surplus for Year		(5)	(5)
Balance at end of period	143	459	602

STATEMENT OF CASH FLOW

for the year ended 30 June 2017

		2017	2016
	Notes	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Operating receipts		1,150	856
Investment Income		6	10
<u>Payments</u>			
Operating payments to suppliers & employees		(1,089)	(1,045)
Net Cash provided by (or used in) Operating Activities	_	67	(179)
Net Increase (Decrease) in cash held	-	67	(179)
Cash & cash equivalents at beginning of period		267	446
Cash & cash equivalents at end of period	6	334	267

This Statement is to be read in conjunction with the attached Notes

Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2017

Note 1 - Significant Accounting Policies

This general purpose financial report has been prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

Council Solutions Regional Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils and their respective share of equity are as follows:

Constituent Council	Equity Share
Adelaide City Council	16.67%
City of Charles Sturt	16.67%
City of Marion	16.67%
City of Onkaparinga	16.67%
City of Salisbury	16.67%
City of Tea Tree Gully	16.67%

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011 dated 1 May 2011.*

1 Basis of Preparation

The financial report has been prepared on an accruals basis and is based on historical costs. All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

2 Income recognition

Management Fee Income is recognised when the Constituent Councils enter into the purchase of a good or service from a Supplier contracted to provide the Authority (or in the case of some prior contracts that were created jointly between the six constituent Council) with a Management Fee.

3 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition.

4 Infrastructure, Property, Plant & Equipment

The Authority did not procure any non-current assets during the reporting period and does not hold any non-current assets as at the reporting date.

5 Employee Benefits

All employees are employed through Adelaide City Council, one of the Constituent Councils. Those employees are then contracted to the Authority.

Council Solutions Regional Authority

Notes to and forming part of the Financial Statements for the year ending 30 June 2017

6 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax":

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

7 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with Australian Accounting Standards.

8 Critical Accounting Estimates and Judgements

The Authority evaluates estimates and judgements incorporated into the financial report based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the authority.

Accounts receivable are reviewed at each reporting date to establish the collectability.

9 Pending Accounting Standards

Certain new accounting standards and UIG interpretations have been published that are not mandatory for the 30 June 2017 reporting period and have not been used in preparing these reports.

AASB 7	Financial Instruments – Disclosures
AASB 9	Financial Instruments
AASB 15	Revenue from Contracts with Customers
AASB 17	Leases
AASB 1058	Income of Not-for-Profit Entities

Standards containing consequential amendments to other Standards and Interpretations arising from the above - AASB 2010-7, AASB 2014-1, AASB 2014-3, AASB 2014-4, AASB 2014-5, AASB 2014-6, AASB 2014-7, AASB 2014-8, AASB 2014-9, AASB 2014-10, AASB 2015-1, AASB 2015-2, AASB 2015-3, AASB 2015-4, AASB 2015-5, AASB 2015-6 and AASB 2015-7.

(Standards not affecting local government have been excluded from the above list.)

The Authority is of the view that other than AASB 16 and AASB 1058, none of the above new standards or interpretations will affect any of the amounts recognised in the financial statements, but that they may impact certain information otherwise disclosed.

Accounting Standard AASB 1058 Income of Not-for-Profit Entities may have a material effect on the amounts disclosed in these reports, particularly in revenues from grants & subsidies, but does not commence until the 2019/20 financial period, and it is not the Authorities' intention to adopt this Standard early.

COUNCIL SOLUTIONS REGIONAL AUTHORITY NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2017

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	2017	2016
	\$'000	\$'000
INVESTMENTS		
Interest Income	6	10
	6	10
REBATES		
Management Fees	1,167	933
	1,167	933
OTHER INCOME		
Reimbursements	61	110
	61	110

Note 3 - EXPENSES

2017	2016
\$'000	\$'000
2	11
4	4
2	3
73	73
253	199
-	1
-	8
32	26
20	3
48	75
12	1
1	17
-	15
775	539
30	24
39	25
14	30
1	1
4	3
1,310	1,058
	\$'000 2 4 2 73 253 - 32 20 48 12 1 - 775 30 39 14 1

COUNCIL SOLUTIONS REGIONAL AUTHORITY NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2017

Note 4 - CURRENT ASSETS

	2017	2016
	\$'000	\$'000
CASH & CASH EQUIVALENTS		
Cash at Bank	334	267
	334	267
RECEIVABLES		
Accounts Receivables	271	282
Accrued Income	196	106
Prepaid Expenses	2	2
	469	390
TOTAL CURRENT ASSETS	803	657

Note 5 - LIABILITIES

	2017	2016
	\$'000	\$'000
TRADE & OTHER PAYABLES		
Creditors	218	24
Expenses Accrued	4	4
	222	28
OTHER CURRENT LIABILITIES		- 191
Payable to Adelaide City Council	55	27
	55	27
TOTAL LIABILITIES	277	55

COUNCIL SOLUTIONS REGIONAL AUTHORITY NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 6 - RECONCILIATION TO CASH FLOW STATEMENT

(a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet.

	2017	2016
	\$'000	\$'000
Cash at Bank	334	267
Balances per Cash Flow Statement	334	267
(b) Reconciliation of Change in Net Assets to Cash		
from Operating Activities		
Net Surplus	(76)	(5)
Net (increase)/decrease in Receivables	(79)	(186)
Net increase/(decrease) in Current Liabilities	222	12
Net Cash provided by (or used in) operations	67	(179)

COUNCIL SOLUTIONS REGIONAL AUTHORITY NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 7 - FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The Authority's exposure to interest rate risk, which is the risk that the value of a financial instrument will fluctuate as a result of changes in market interest rates, and the effective weighted average interest rates on those applicable financial assets and liabilities is as follows;

2016-17

	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate instruments maturing within One Year	Fixed Interest rate instruments	Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:						
Cash	1.8%	334		1.5	-	- 0
Receivables	0.0%	- 2	-			469
Total Financial Assets		334	- 4	- 4	- 1	469
Financial Liabilities:						
Creditors and Provisions	0.0%			-	-	277
Total Financial Liabilities		-	- 4	4	-	277

2015-16

	Weighted Average Interest Rate	Fair Value of Variable Interest Rate Instruments	Fair Value of Fixed Interest rate instruments maturing within One Year		Fair Value of Fixed Interest rate instruments maturing Due > 5 Yrs	Fair Value of Non-Interest Bearing Instruments
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:						
Cash	1.8%	267	0.5	-	- 2	174
Receivables	0.0%		-			390
Total Financial Assets		267	D=	•	(-)	390
Financial Liabilities:						
Creditors and Provisions	0.0%	-	- 4	4	- 14	55
Total Financial Liabilities				•	-	55

COUNCIL SOLUTIONS REGIONAL AUTHORITY NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2017

Note 7 - FINANCIAL INSTRUMENTS

(b) Credit Risk

Credit Risk represents the loss that would be recognised if other entities failed to perform as contracted.

The Authority's exposure to credit risk is limited to receivables - the Authority's maximum exposure is disclosed in the financial statements net of any provision for doubtful debts

(c) Net Fair Value

The net fair value of a financial instrument is defined as its value net of all costs to settle the asset and liability.

The financial assets and liabilities as stated or referred to in notes (a) and (b) above, are stated at their face value (less provision for doubtful debts if applicable).

Due to the nature of financial instruments held in the Authority, the cost associated with their settlement would not be material and have not been considered.

Note 8 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL (KMP)

The Key Management Personnel of the Council include the Chair of the Board, the Board and the CEO.

\$'000

Salaries, allowances & other short term benefits paid by Council Solutions to $\ensuremath{\mathsf{KMP}}$

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No qualifying related party disclosures have been identified in relation to the 2016-17 financial year

Council Solutions Regional Authority Certification Of Auditor Independence for the year ending 30 June 2017

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Council Solutions Regional Authority for the year ended 30 June 2017, the Council's Auditor, Ian G McDonald, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) (b) Local Government (Financial Management) Regulations 2011.

Catherine Coo CHAIR

Date:

Mark Dowd **CHIEF EXECUTIVE OFFICER** City of Onkaparinga

Date: 31/8/2017

Darren Birbeck **ACTING CHIEF EXECUTIVE OFFICER** City of Charles Sturt

Date: 22/8/2017

John Harry

CHIEF EXECUTIVE OFFICER City of Salisbury

Tanya Johnston PRESIDING MEMBER OF AUDIT COMMITTEE

Date: 22/8/2017

Mark Goldstone

CHIEF EXECUTIVE OFFICER City of Adelaide

Date: 21

Adrian/Skull

CHIEF EXECUTIVE OFFICER City of Marion

Date: 25-8-2017

John Moyle

CHIEF EXECUTIVE OFFICER

Tea Tree Gully

Council Solutions Regional Authority

ANNUAL FINANCIAL STATEMENTS For the year ended 30 June 2017

STATEMENT BY AUDITOR

We confirm that, for the audit of the financial statements of the Council Solutions Regional Authority for the year ended 30 June 2017, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) Local Government (Financial Management) Regulations 2011.

Ian G McDonald FCA

Dated this 11th day of August 2017

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Council Solutions Regional Authority Independent Auditor's Report

We have audited the attached financial statements, being a general purpose financial report, of Council Solutions Regional Authority for the year ended 30 June 2017.

Opinion

In our opinion, the financial statements of the Authority are properly drawn up:

- a) to present fairly the financial position of the Authority as at the 30 June 2017 and the results of its operations for the period then ended, and;
- b) according to Australian Accounting Standards.

Basis for Opinion

For the audit of the Authority we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information - Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report is prepared to assist the authority to meet the requirements of Local Government Act 1999 together with the Local Government (Financial Management Regulations 2011. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for the members.

Responsibilities of Management for the Financial Report

The Board of Management is responsible for the preparation of the financial report in accordance with Local Government Act 1999 together with the Local Government (Financial Management Regulations 2011 and for such internal control as management determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Report

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

lan G McDonald FCA Registered Company Auditor

Von me Dandd

Dated at Grange this 18th day of September 2017

Appendix B

Audit Committee Annual Report to the Board for the Year Ending 30 June 2017

Audit Committee

The Council Solutions Board is supported by one designated committee being the Audit Committee which is formally appointed pursuant to the requirements under the Local Government Act 1999 (the Act) and the Local Government (Financial Management) Regulations 2013.

The function of the Audit Committee includes reviewing annual financial statements to ensure that they present fairly the state of affairs of the Authority and reviewing the adequacy of financial management systems and practices.

This report provides a summary of activities undertaken by the Audit Committee during the Year Ending 30 June 2017.

Committee Membership and Meetings Attended

The Audit Committee met on 4 occasions during the financial year.

Member	Meetings Attended
Ms Tanya Johnston (Chair) Independent Member	4
Mr David Papa Independent Member	4
Mr John Moyle Board Member	4

Activities

The Audit Committee is governed by a terms of reference with the work flow controlled by an Audit Committee Work Program. The Audit Committee Work program is updated after each meeting to reflect Committee achievements as well as to include actions arising from the meeting as well as from Board meetings.

The table that follows represents the completed work program for the meetings held in the year ending 30 June 2017.

Completed Work Program 2016-17

Activity	Meeting Date
1. Financial Reporting	
Monitored the integrity of the financial statement reports referred to below to review any significant financial reporting issues and judgements which they may contain.	
Specifically – the Audit Committee reviewed:	
 the consistency in application of, and/or any changes to, accounting policies; 	
 the method used to account for significant or unusual transactions where different approaches are possible; 	
 whether the Authority has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor; 	
 the clarity of disclosure in the Authority's financial reports and the context in which statements are made; 	
 all information presented with the financial statements, such as the operating and financial review and the corporate governance statement (in so far as it relates to the audit and risk management); and 	
 significant adjustments to the financial report (if any) arising from the audit process. 	000
1.1 Annual Budget 2017-18	Mar 2017 Jun 2017
1.2 Annual Financial Statements 2015-16	Sept 2016
1.3 Financial Performance Report 2015-16	Dec 2016
1.5 2016-17 Budget Review #1	Dec 2016
1.6 2016-17 Budget Review #2	Mar 2017
1.7 2016-17 Budget Review #3	Jun 2017
1.8 Business Plan – 2017-2019	Jun 2017
2. Internal Controls and Risk Management Systems	
2.1 Reviewed & commented on updated risk register.	Dec 2016
3. External Audit	
3.1 Liaise with the Authority's external auditor on the scope and planning of annual audits, including any issues arising from audits and the resolution of such matters.	Sept 2016
3.2 Review the findings of any external audit report that raises significant issues relating to risk management, accounting, internal controls, financial reporting and other accountability or governance issues and make recommendations to the Board where appropriate.	Sept 2016
3.3 The audit committee reviewed and commented on the Authority's response to, and actions, taken as a result of issues raised from any external audit.	Sept 2016
3.4 Ensure compliance with Clause 22 of the Local Government (Financial Management) Regulations 1999 regarding the prohibition of auditors providing additional non audit services.	Sept 2016

Activity	Meeting Date
4. Reporting Requirements of the Audit Committee	
4.1 Ensure that significant, urgent matters identified through the work program are formally and promptly reported to the Board.	Ongoing
4.2 Table the minutes of audit meetings held as part of the agenda of the next Board meeting, ensuring recommendations are considered and adopted as required.	Ongoing
4.3 Prepare annually a report to the Board on the Audit Committees performance over the past year and include the report in the Annual Report of Council Solutions.	Sept 2016
4.4 Review its own performance and terms of reference on an annual basis.	Mar 2017
5. Other	
5.7 Management Fee Audit. Reviewed and commented on project plan to undertake an audit of management fee revenue.	Mar & Jun 2017
5.6 Discussed and commented on a report on ACCC determination with regards to the Waste Services contract.	Mar 2017

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Date Printed: 16 November 2017

9.4 Presentation of the draft Annual Report for 2016-17

This is a regular or standard report.

Manager: Darren Styler, Manager Finance

Report Author: Sonia Sghendo, Team Leader, Financial Accounting

Contact Number: 8384 0613

Attachments: 1. Draft Annual Report

(80 pages – provided under separate cover)

1. Purpose

This report presents the draft Annual Report for 2016-17 for adoption.

2. Recommendation

That Council adopt the draft Annual Report 2016-17 as provided at attachment 1 to the agenda report.

3. Background

Section 31 of the *Local Government Act 1999* (the Act) stipulates that 'A Council must, on or before 30 November in each year, prepare and adopt an annual report relating to the operations of the council for the financial year ending on the preceding 30 June'.

As detailed in the Act, council's Annual Report must incorporate 'the material specified in Schedule 4 as amended from time to time by regulation. Schedule 4 of the Act requires the inclusion of council's financial statements and council's subsidiary annual reports in council's Annual Report.

The financial statements of council and subsidiary Annual Reports form appendices to council's draft Annual Report for 2016-17 and are presented as separate items as part of tonight's agenda for noting by Council as required by the Act.

This report presents all other components of the annual report as required by the **Act for Council's adoption.**

4. Financial Implications

The Annual Report details council's achievements for the period including financial results for the year ended 30 June 2017.

5. Risk and Opportunity Management

Risk	
Identify	Mitigation
Failure to comply with requirements of the Local Government Act 1999 and associated standards/legislation results in a breach of the Act.	The year-end timetable adheres to the timeline stipulated in the Act for the sign off and filing of the Annual Report. We are currently adhering to the timelines set and therefore believe this risk is appropriately mitigated.

Attachment 1

Provided under separate cover

9.5 Update to Long Term Financial Plan

This is an update on a previously reported project, concept or issue.

Manager: Darren Styler, Manager Finance

Report Author: Diane Eckermann, Team Leader Management Accounting

Contact Number: 8384 0121

Attachments: 1. Outcomes of Elected Member workshop 24 October 2017

(2 pages)

2. Draft Long Term Financial Plan 2017-18 - 2037-38

(20 pages)

1. Purpose

This report provides a summary of outcomes from the Long Term Financial Plan Elected Member session of 24 October 2017 and an updated Long Term Financial Plan (the Plan) for adoption.

2. Recommendations

- 1. That Council note the outcomes from the Elected Member session presented at attachment 1 to the agenda report.
- 2. That Council adopt the Long Term Financial Plan 2017-18 2037-38 as detailed in attachment 2 to the agenda report.

3. Background

By the end of the second year following an election, the *Local Government Act* 1999 (the Act) and *Financial Management Regulations 2011* require Council to formally adopt a Long Term Financial Plan.

Each year after adoption the Plan must be reviewed as part of the financial planning and budgetary process.

As per the Act the Plan must include as a minimum the statements detailed in the Model Financial Statements (MFS), Council may provide additional statements and financial ratios at their discretion.

In addition to the MFS the Plan also includes a Funding Statement. This is one of the key statements Council uses when developing budgets and reporting on its operations.

The Plan also uses key assumptions and Forecast Economic Indicators to monitor and maintain long term financial sustainability.

This report presents the Plan for adoption.

4. Financial Implications

The Plan outlines the long term financial strategies and financial modelling for council over the next 20 years.

5. Risk and Opportunity Management

Risk	
Identify	Mitigation
Failure to maintain the long term financial sustainability of council in a manner that achieves	We are continuing to employ a strategic approach to our financial planning that is influenced by the current economic environment, our financial position and the impacts on the organisation from internal and external factors.
intergenerational equity	By employing a strategic approach we will continue to ensure our long term financial sustainability and intergenerational equity.
Failure to manage socio political risks in relation to rate increases, level of spending etc.	Our financial planning strategies ensure that in developing our budget and Plan we recognise the pressures on our communities (their capacity to pay) and ensure we keep rate increases at a prudent and responsible level.
	We also ensure our rate increases support our financial sustainability objectives and reflect our cost indices plus any pre-existing commitments and other identified cost pressures.
	We engage with our communities as part of the financial planning process and Council considers community feedback prior to adopting the Annual Business Plan and Budget.

Opportunity	
Identify	Maximising the opportunity
To update current financial strategies in consideration of Elected Member feedback received during the Long Term Financial Plan and Budget Elected Member session of 24 October 2017 (refer to attachment 1 for outcomes)	The financial strategies section of the Plan has been updated to reflect a commitment to rate increases lower than the long term 4.3 per cent increase included in the Plan and outlines the approaches we will employ to achieve this.

Outcomes of Elected Member Workshop 24 October 2017

Attachment 1

Question	Responses	Summary
In order to achieve a 2.4% rate increase for modelling purposes (rather than 4.3%) we need to reduce our costs or defer projects by \$117m over 10 years to stay within KFI target. How do we achieve this?	 What can we do to reduce \$\$ Service review scoring to advise State impacts – diverted costs/cost shifting Be more consumer driven Make some tough decisions Are on-going reductions sustainable? Reduce by half the Value Added programs Public perception Value Added items are getting larger increases than Core items for FTE's We need to be more controlled about what we are doing Cut spend on Major Projects by half Cannot keep doing what we have been doing ie operations and programs Robustly review what we do and how we do it Review how we build up the rate increase What is the rate rise for LTFP purposes? What happens after three years? Is it sustainable? There are inefficiencies in allocating CPI increases across all budgets, not everything needs an indexation increase Growth is a concern Rates growth is slowing, refer to birth rate/population Why would we model less than indexation forecast 3.2%? 	 Service reviews and value and efficiency reviews should continue to drive efficiencies and savings Some tough decisions will need to be made Putting a savings target of \$117m into the Long Term Financial Plan without a plan of where this will be found is not sustainable

Outcomes of Elected Member Workshop 24 October 2017

Attachment 1

Question	Responses	Summary				
How should funds from asset rationalisation be used / prioritised?	 We need to understand what the community wants Use funds to purchase the new infrastructure we need Use to retire debt Asset consolidation rather than rationalisation Return money, invest back into; Something that gives a return Projects rather than borrow e.g. Community facilities Have a strategic plan to sell and buy to build a future Community want some of the proceeds to be reinvested into community – Wants Vs Needs Become developer(look at it)/Maximise return Loosen up the money to be available for whatever needs arise Pay debt down – portion 4.5% debt return Pay off debt 	 Funds received from the rationalisation of assets should be used to reduce debt in the first instance and fund new infrastructure required secondly. Potential to look at higher risk / return opportunities over time 				

Attachment 2



Draft

Long Term Financial Plan 2017/18 - 2037/38



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INTRODUCTION

The Long Term Financial Plan (LTFP) is an important part of Council's financial planning process as it helps ensure that long term financial sustainability can be maintained while meeting the needs and expectations of our communities and delivering Council's objectives as specified in our leading strategic plan Onkaparinga 2035 and related strategies.

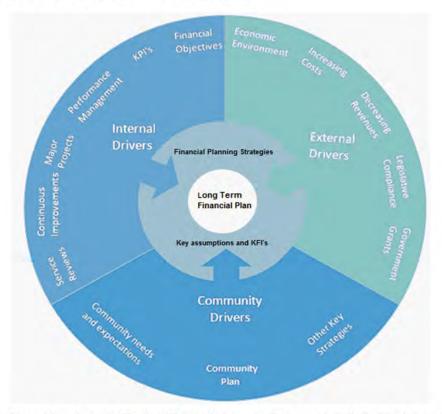
The LTFP incorporates a number of financial reports and statements including the Funding Statement and those reports required under the Local Government Act 1999 (the Act) and related financial management regulations. It is a 20 year plan with the first 10 years provided in the appendices, which is consistent with requirements of the Act.

Each year we review and update the LTFP as part of Council's financial planning process. Over the last few years a number of significant developments have been incorporated into the financial planning process. These have been in response to changes in relation to the economic, political and fiscal environment in which we operate. They also reflect our continuous improvement philosophy where we regularly review and refresh our processes to ensure they reflect the changing environment we operate in and align with our Community Plan (and associated plans and strategies). Some of the more significant developments in recent years include:

- Simplifying the presentation of our budget to allow Elected Members and our communities to better understand what council must do versus what council chooses to do
- Developing a revised funding approach for our strategic use of borrowings - this approach results in income generated from growth in our city funding borrowings required to build new assets to meet the demands of growth
- Refining the calculation of our asset sustainability ratio to be linked to renewal requirements identified in our Asset Management Plans rather than depreciation
- Developing a new key financial indicator that measures the financial liquidity of council.



In developing the financial planning strategy and resultant LTFP we consider the various drivers that may impact our financial performance and budgeting as illustrated in the following diagram.



A number of impacts have been identified for 2017-18 and future years. These are detailed in Significant Issues section (page 6) and are included in our financial projections.

OUTCOMES

The LTFP has been updated to incorporate the 2017-18 budget adopted by Council at its meeting on 4 July 2017 and the financial results for the year ended 2016-17 as included in the General Purpose Financial Statements noted by Council on 21 November 2017. Appendix A to F present the key financial statements from 2017-18 through to 2026-27.

Based on these financial statements each of our Key Financial Indicators (KFI) are within the target ranges specified. KFIs are presented at Appendix G.

STRATEGIC CONTEXT

Onkaparinga 2035 is the lead document informing Council's strategic planning work. It guides Council decisions about services, assets, programs, advocacy and projects. It sets a vision for the future of our communities.

Onkaparinga 2035 guides Council's strategic and operational decision making and is supported by a number of other strategic plans. Onkaparinga 2035 includes:

One Vision: strong vibrant communities Themes: help us organize our plan and support strategic planning processes.

- People
- Place
- Prosperity

Objectives: each theme is described by three objectives. Each objective joins with the next to guide decisions (from the significant to the day-to-day).

Desired Outcomes: under each theme our desired outcomes help to explain what our objectives are trying to achieve.

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Focus Commitments: focus commitments identify areas for priority attention during the life of Onkaparinga 2035. This helps Council prioritise its actions and show where resources will be directed.

Policy Principles and Corporate values: our policy principles and corporate values outlie who Council is and how we will make decisions to achieve the vision in partnership with others.

Delivering Onkaparinga 2035: this vision is supported by an action-oriented document with a four year time horizon that outlines the significant action to be undertaken to deliver the vision.

The LTFP for 2017-18 has been developed in the context of Onkaparinga 2035.

INPUT AND ANALYSIS

Our financial strategies and resultant LTFP are influenced by the current economic environment, our financial position and the impacts on the organisation from both internal and external factors.

CURRENT ECONOMIC ENVIRONMENT

In their economic outlook report, Access Economics identified that global growth is improving. Growth in developed economies, like the US, Europe and Japan is steady with China and India also providing good growth. This is keeping overall global growth buoyant. In terms of medium to longer term outlooks there are some concerns around labour and capital constraints which may see some slowing of growth into the future.

For Australia, inflation and wages growth have remained flat. The current economic environment has prompted the Reserve Bank to maintain low interest rates and this has meant that the Australian dollar has also remained low. The combination of these factors sees Australian growth forecasts remaining at moderately low levels.

While the economic environment will affect everyone, there are a number of groups within our communities that will be impacted to a greater extent such as fixed and low income earners and small businesses.

We will continue to monitor and identify economic impacts on our financial performance and budgeting and account for these through our financial planning strategies while ensuring we continue to deliver services to our communities.

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SIGNIFICANT ISSUES

The LTFP incorporates a number of significant financial pressures that have been identified in developing projections for 2017-18 and future years. These include:

- increases in the Environmental Protection Authority's waste levy
- increases in mandatory rate rebates to housing associations as a result of changes in legislation and an increased number of these properties
- the need to increase the level of funding for infrastructure renewal in line with our Asset Management Plans

In response to these items and consistent with our Financial Planning Strategies these issues have been offset where possible by savings, efficiencies and reductions across the organisation.

These initiatives are focused on reducing costs through innovation, commercialisation, productivity improvements and the streamlining of processes and services.



Our financial strategies ensure we continue to appropriately consider:

- our long term financial sustainability
- intergenerational equity
- that the needs and expectations of our communities are met
- delivery of appropriate, targeted, effective and efficient services
- responsible rate increases.

Given the current economic environment it is important our strategies and approaches are flexible enough to respond to unforeseen events.

We have developed the following strategies and approaches in our LTFP.

Rate increases

In developing our budget and LTFP we will recognise the pressures on our communities (their capacity to pay) and ensure we keep rate increases at a prudent and responsible level. We will also ensure our rate increases support our financial sustainability objectives and reflect our cost indices plus any pre-existing commitments and other identified cost pressures.

As noted in the Forecast Economic Indicators section below, 2021-22+ rate increases are currently forecast to be 4.28% per annum.

This forecast is based on long term Federal Government indexation targets plus an allowance for cost shifting from other tiers of government based on historic trends.

Notwithstanding this, consistent with our strategy to keep rate increases at a prudent and responsible level, Council is committed to actually achieving rate increases lower than the forecast 4.28%.

The following approaches are designed to achieve this outcome:

Service Reviews and value and efficiency

We will continue to seek savings and productivity improvements across all Council's activities.

We will undertake assessments of our value added services and new assets and significant upgrade projects to ensure they continue to meet the needs and expectations of our communities and align with Council's

strategies, objectives, defined roles, policies and procedures.

Asset rationalisation

We will regularly review and assess our assets to ensure they continue to meet the needs and expectations of our community, align with Councils strategies, objectives, defined roles, policies and procedures.

We will dispose of assets that do not meet the needs and expectations of our community and invest in those that do.

Taking a commercial approach to our business

To assist in decreasing the reliance on rate revenue and reducing rate increases we will develop a more commercial approach to our business.

This will include identifying ways in which we can save money, make money and drive value for money. This will range from seeking alternative and innovative approaches to delivering required infrastructure and services (eg joint ventures or public private partnerships) through to developing a more commercial approach to our day to day operations and service delivery.

We will continue to investigate options for providing services to other agencies (including potential for generating income), potential efficiencies in service delivery (such as outsourcing or shared services) as well as continued development of our existing commercial activities.

STRATEGIC DIRECTION

Operating surpluses

We will continue to ensure operating surpluses over the long term to meet our key objectives of financial sustainability and intergenerational equity.

In addition to operating surpluses we will continue to ensure a balanced funding position.

Capital renewal

To ensure we continue to employ sound long term financial sustainability principles we will assess the capital renewal funding each year having regard for outcomes from our asset management planning and our sustainability and intergenerational equity objectives.

While we are still a relatively young and developing council, asset renewal requirements are increasing. Condition and financial modeling is being undertaken across all asset classes along with a progressive review of asset service levels to determine renewal requirements.

Service level reviews take into consideration community needs, population density/growth impacts, asset management principles and funding requirements.

Outcomes of these reviews inform future financial planning discussions to ensure funding allocations are adequate to meet funding requirements over the long term.

New assets and significant upgrades

We will schedule projects and allocate funds to ensure we are within our borrowing targets (see below).

We will ensure we retain capacity that will allow us to respond to take advantage of other government and external funding as it becomes available.

Flexibility will be retained to provide opportunities to reschedule projects where required.

Borrowings and debt levels

We will continue to ensure a strategic approach to borrowings and debt levels consistent with Council's Funding Procedure to ensure:

- prudent and appropriate use of borrowings for new assets and significant upgrades only
- clearly identified and affordable debt servicing approaches
- intergenerational equity
- we meet our KFIs for Net Financial Liabilities, Interest Cover Ratio, Debt Servicing and Borrowings as detailed in Appendix G.

A copy of the Funding procedure is available at www.onkaparingacity.com,

Utilisation of reserve funds

To assist in alleviating short term funding pressures we will utilise reserve funds where appropriate.

Over the last few years we have used the Open Space Reserve Fund to part fund our Open Space projects. This process will continue in the short term however we will progressively reduce reliance on this funding approach over a number of years.

We will explore the suitability of using reserves as part of defining our budget each year based on funding requirements.

Contingency

We will ensure adequate funds are maintained in a Contingency Reserve to provide capacity to respond to potential impacts of the current economic environment and provide the ability to absorb shocks from unforeseen events.

Given the current economic environment the Contingency Reserve will be maintained at approximately 2% of rate revenue. This will be reviewed as part of the budget process each year to ensure it continues to reflect the environment and the potential for contingent items to affect our financial outcomes and position.

Long Term Financial Plan 2017/18 – 2037/38

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RESOURCES AND INDICATORS

KEY FINANCIAL INDICATORS

Council has adopted a suite of KFIs that are primarily based on those included in the Model Financial Statements and those recommended by the Local Government Association and Local Government Financial Managers Group as appropriate for measuring financial sustainability.

Two additional measures for Debt Servicing and Level of Borrowings have been developed based on best practice financial management principles and an indicator of Council's liquidity has also been included.

Council has adopted targets for each of these KFIs.

The KFI's, targets and forecast results are summarised in Appendix G.

FORECAST ECONOMIC INDICATORS

A key assumption when developing and updating the LTFP is that forecast income and expenditure will be inflated in accordance with appropriate indices.

The Consumer Price Index (CPI) measures changes in the price level of a basket of consumer goods and services purchased by households however local councils spend a large proportion of their budgets on business related expenses, including:

- road construction materials
- ather construction costs including drains, environmental projects and footpaths

 paying contractors (for services including recycling and waste management).

The prices of these items do not move in line with CPI and as such CPI is not the most appropriate index for councils.

For 2017-18 we have undertaken a review of various indices and the effect of these on our costs and rates increases. This approach is based on the same general principles of the Local Government Price Index (LGPI).

The 2017-18 review identified a 0.2% difference between CPI and LGPI which is incorporated into the forecast economic indicators used in developing the LTFP outlined below

FORECAST ECONOMIC INDICATORS	2017-18	2018-19	2019-20	2020-21	2021-22+
Indices					
Revenue (excluding rates)	0.50%	2.48%	2.38%	2.58%	3.18%
Salaries and wages-indexation	2.00%	2.00%	2.00%	2.00%	2.70%
Salaries and wages-increment	0.50%	0.50%	0.50%	0.50%	0.50%
Other costs	(1.92)%	2.45%	2.22%	2.68%	3,18%
Rating assumptions					
Rate increase	2.85%	3.58%	3.48%	3.68%	4.28%
Rates - New development growth	1.30%	1.30%	1.30%	1.30%	1.30%
Capacity to borrow assumptions					
Funds specifically held to fund costs associated with growth (\$ million)	11.2	12.5	13.7	15,0	16.5*
Loan Interest - Fixed term	4.90%	4.90%	4.90%	4.90%	5.00%
Loan Interest – Variable (CADs)	4.90%	4.90%	4.90%	4.90%	5.00%
Principal repayment terms (years)	20	20	20	20	20

^{*}these amounts continue to increase beyond year 5 in line with other assumptions

APPENDIX A

Forecast Funding Statement

The Funding Statement is a summary of total income and expenditure. The Funding Statement is divided into core, value added and new and significant upgrade categories. This enables us to establish broad priorities for income and expenditure in line with agreed financial assumptions.

		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	FORECAST \$000									
Core Activities										
Rates	87,327 3,625	95,334 3,733	100,347 3.822	109,018	110,975	117,242 4,174	119,316	123,407 4,444	127,906 4,585	132,204 4,73
Statutory Charges Revenue User Charges Revenue	1,031	1,760	1,802	3,921 1,848	4,046 1,907	1,968	4,307 2,030	2,095	2,161	2,230
Grants, Subsidies & Contributions Revenue	14,744	12,104	10,480	10,547	15,706	14,845	16,440	17,641	18,202	18,78
Investments	168	172	176	181	186	192	198	205	211	218
Reimbursements	1,422	1.704	1,745	1,790	1.847	1,905	1,966	2.029	2.093	2.160
Other revenue	199	160	164	168	173	179	185	190	196	203
Transfers from Reserves	500	2,515	1,389	735	725	608	644	240	247	255
Total Revenue	109,015	117,482	119,925	128,207	135,564	141,114	145,086	150,250	155,603	160,78
Employee Costs	42,745	43,450	45,233	46,918	49,016	50,827	52,706	54,657	56,683	58,786
Contractual Services	26,016	23,973	24,691	25,627	26,781	27,966	28,524	29,586	30,689	31,834
Materials	9,954	9,298	9,646	10,029	10,475	10,862	11,264	11,681	12,114	12,563
Asset Renewal Project Expenditure	23,566	27,300	27,517	32,296	35,430	37,101	37,720	38,919	40,157	41,064
Other	5,457	12,193	12,738	13,235	13,756	14,249	14,761	15,291	15,841	16,411
Transfers to Reserves	1,277	1,268	100	103	106	109	113	116	120	124
Total Expenditure	109,015	117,482	119,925	128,207	135,564	141,114	145,086	150,250	155,603	160,782
Value Added Activities										
Rates	31,583	31,864	32,667	33,487	34,545	35.660	36,756	37,942	39,166	40,430
CWMS Rates	3.026	3,221	3,387	3,512	3,675	3,740	3,807	3,874	3,946	4,040
User Charges Revenue	4,804	5,212	5,341	5,485	5,660	5,840	6,026	6,219	6,417	6,622
Grants, Subsidies & Contributions Revenue	5,559	5,522	5,653	5,798	5,982	6,172	6,368	6,571	6,780	6,995
Reimbursements	118	43	44	45	47	48	50	51	53	55
Other revenue	221	187	191	196	202	209	215	222	229	237
Transfers from Reserves	3,698	110	112	115	118	122	126	130	134	138
Total Revenue	49,009	46,158	47,396	48,638	50,230	51,790	53,348	55,009	56,725	58,517
Employee Costs	21,531	21,342	21,887	22,433	23,155	23,900	24,670	25,464	26,284	27,131
Contractual Services	11,321	11,342	11,628	11,925	12,309	12,705	13,060	13,481	13,915	14,364
Materials	2,386	4,041	4,130	4,242	4,376	4,515	4,658	4,806	4,959	5,116
Project Expenditure (Gross)	4,355	3,820	3,914	4,005	4,109	4,240	4,375	4,514	4,658	4,806
Other Transfers to Reserves	7,101 2,313	3,927 1,687	4,013 1,823	4,121 1,913	4,252 2,028	4,387 2,043	4,526 2,059	4,670 2,073	4,818 2,091	4,971 2,129
Total Expenditure	49,009	46,158	47,396	48,638	50,230	51,790	53,348	55,009	56,725	58,517
New Assets and Significant Upgrades										
Rates	11,181	9,187	9,870	7,537	12,938	14,552	20,883	25,645	30,522	36,137
Amounts Received for Specific New or Upgrade Projects	5,767	4,766	5,615	5,968	1,336	2,738	1,703	8,415	6,592	8,749
New Borrowings	12,663	15,125	14,567	16,031	11,824	12,859	11,790	14,713	16,036	13,724
Reduction in Carry Forward Project Expenditure	-	-	-	-	-	-	-	-	-	
Transfers from Reserves	1,985	722	734	745	758	775	793	810	829	848
	31,596	29,800	30,786	30,281	26,856	30,924	35,168	49,583	53,978	59,458
Total Revenue		22 222	21,867	20,316	15,627	18,932	22,345	36,044	39,493	43,937
	24,544	22,003								
Project Expenditure (Gross)	24,544 3,071	3,535	4,088	4,621	5,208	5,640	6,111	6,542	7,081	7,667
Project Expenditure (Gross) Borrowings Capital Repayments Borrowings Finance Costs	3,071 3,461	3,535 4,113	4,088 4,681	5,194	5,871	6,202	6,563	6,847	7,255	7,703
Total Revenue Project Expenditure (Gross) Borrowings Capital Repayments Borrowings Finance Costs Transfers to Reserves	3,071	3,535	4,088							7,667 7,703 150
Project Expenditure (Gross) Borrowings Capital Repayments Borrowings Finance Costs	3,071 3,461	3,535 4,113	4,088 4,681	5,194	5,871	6,202	6,563	6,847	7,255	7,703

APPENDIX B

Forecast Statement of Comprehensive Income

This statement presents the operating income, operating expenses and operating result. It also presents those amounts that are classified as capital income and other comprehensive income. It is based on the Model Financial Statements as required under the Local Government Act 1999. Amounts included within this statement are used to calculate a number of the financial indicators that assist in assessing our financial performance and viability over time.

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-2
	FORECAST	FORECAS								
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$00
Operating income										
Rates	133,117	139,606	146,272	153,554	162,133	171,193	180,762	190,867	201,540	212,81
Statutory charges	3,643	3,733	3,822	3,921	4,046	4,174	4,307	4,444	4,585	4,73
Jser charges	5,717	6,972	7,142	7,333	7,567	7,808	8,057	8,313	8,578	8,85
Grants, subsidies and contributions	22,757	17,626	16,133	16,345	21,688	21,018	22,808	24,212	24,982	25,77
nvestment income	168	172	176	181	186	192	198	205	211	21
Reimbursements	1,705	1,747	1,789	1,835	1,893	1,954	2,016	2,080	2,146	2,21
Other revenue	338	347	355	364	376	388	400	413	426	43
otal operating income	167,445	170,203	175,690	183,533	197,888	206,727	218,548	230,534	242,468	255,04
Operating expenses										
Employee costs	63,053	64,818	67,146	69,377	72,198	74,755	77,405	80,151	82,998	85,94
Naterials, contracts and other expenses	66,896	68,568	70,735	73,156	76,031	78,896	81,139	83,999	86,963	90,03
inance costs	3,461	4,113	4,681	5,194	5,871	6,202	6,563	6,847	7,255	7,70
Depreciation and amortisation	29,712	31,419	33,114	32,355	31,512	32,851	34,319	35,778	37,746	39,54
Total operating expenses	163,122	168,918	175,676	180,083	185,612	192,704	199,426	206,775	214,962	223,22
Operating surplus/(deficit) before capital amounts	4,323	1,285	14	3,449	12,276	14,022	19,122	23,760	27,506	31,81
Capital income										
Amounts received specifically for ne or upgraded assets	5,767	4,766	5,615	5,968	1,336	2,738	1,703	8,415	6,592	8,74
Physical resources received free of charge	5,854	5,739	5,880	6,010	6,172	6,368	6,570	6,779	6,995	7,21
Net surplus/(deficit)	15,944	11,790	11,509	15,428	19,783	23,128	27,395	38,954	41,093	47,78
Other comprehensive income										
Changes in revaluation surplus - infrastructure, property, plant and										
equipment	61,219	60,014	61,486	62,852	64,536	66,589	68,706	70,891	73,145	75,47
Total other comprehensive income	61,219	60,014	61,486	62,852	64,536	66,589	68,706	70,891	73,145	75,47
Total comprehensive income	77,163	71,804	72,995	78,280	84,320	89,717	96,101	109,845	114,238	123,25
otal comprehensive income	77,103	71,004	12,333	10,200	04,320	03,111	30,101	103,043	114,230	125,20

APPENDIX C

Forecast Balance Sheet

This statement provides a projection of Council's total 'Community Wealth' (total equity). The Balance Sheet summarises financial worth at a specific point in time, including assets, liabilities and net equity. Amounts included in this are used to calculate a number of the financial indicators that assist in assessing our financial position and viability over time.

FORECAST BALANCE SHEET										
	2017-18 FORECAST					2022-23 FORECAST		2024-25 FORECAST	2025-26 FORECAST	2026-27 FORECAST
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Current assets										
Cash and cash equivalents	-		-		-	-		-	-	
Trade and other receivables	12,218	12,716	13,181	13,783	14,496	15,247	16,039	16,873	17,752	18,678
Inventories	38	39	40	41	42	44	45	47	48	50
Other non-current assets held for sale	-			-	_	-			-	
Total current assets	12,256	12,756	13,221	13,824	14,538	15,291	16,084	16,920	17,800	18,728
Non-current assets										
Financial assets	412	422	431	443	457	471	486	502	518	534
Equity accounted investments in council businesses	11.037	11,037	11,037	11,037	11.037	11,037	11,037	11,037	11,037	11.037
Infrastructure, property, plant and equipment	2,169,901	2,253,801	2,337,763	2,427,280	2,517,587	2,613,663	2,714,651	2,831,504	2,953,582	3,081,805
Other non-current assets	32,394	32,306	32,444	33,197	34,557	36,071	37,394	39,189	40,944	42,675
Total non-current assets	2,213,743	2,297,566	2,381,675	2,471,957	2,563,638	2,661,243	2,763,568	2,882,232	3,006,081	3,136,052
Total assets	2,225,999	2,310,322	2,394,896	2,485,781	2,578,176	2,676,533	2,779,652	2,899,152	3,023,881	3,154,779
Current liabilities										
Trade and other payables	23,912	24,545	25,372	26,228	27,276	28,274	29,174	30,206	31,275	32,383
Short term borrowings	3,512	3,071	3,535	4,088	4,621	5,208	5,640	6,111	6,542	7,081
Short term provisions	12,036	12,332	12,605	12,943	13,355	13,780	14,218	14,670	15,136	15,618
Other current liabilities	-	-	-	-	-	-				
Total current liabilities	39,460	39,947	41,512	43,259	45,252	47,261	49,032	50,986	52,953	55,081
Non-current liabilities										
Long term borrowings	80,427	92,458	102,474	113,330	119,414	126,045	131,292	138,992	147,516	153,034
Long term provisions	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527	1,527
Total non-current liabilities	81,954	93,985	104,001	114,857	120,941	127,572	132,819	140,519	149,043	154,561
Total liabilities	121,414	133,933	145,513	158,117	166,193	174,833	181,851	191,505	201,996	209,642
Net assets	2,104,585	2,176,389	2,249,384	2,327,664	2,411,984	2,501,700	2,597,801	2,707,646	2,821,885	2,945,137
Equity										
Accumulated surplus	552,958	564,991	576,662	591,519	610,620	632,951	659,588	697,382	737,324	783,943
Asset revaluation reserve	1,525,365	1,585,379	1,646,865	1,709,717	1,774,253	1,840,842	1,909,548	1,980,440	2,053,585	2,129,057
Other reserves	26,261	26,019	25,857	26,428	27,110	27,907	28,665	29,825	30,976	32,137
Total equity	2,104,585	2,176,389	2,249,384	2,327,664	2,411,984	2,501,700	2,597,801	2,707,646	2,821,885	2,945,137

APPENDIX D

Forecast Statement of Cash Flows

This statement provides forecasts of incoming and outgoing cash for each financial year. It also explains changes in Balance Sheet and Income Statement accounts affected by cash and cash equivalents. This is useful in determining the short term viability of the organisation, particularly the ability to meet cash commitments.

FORECAST STATEMENTS OF CASHFLOWS										
	2017-18 FORECAST \$000	2018-19 FORECAST \$000	2019-20 FORECAST \$000	2020-21 FORECAST \$000	2021-22 FORECAST \$000	2022-23 FORECAST \$000	2023-24 FORECAST \$000	2024-25 FORECAST \$000	2025-26 FORECAST \$000	2026-27 FORECAST \$000
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	φυυυ	\$000	\$000
Cash flows from operating activities										
Receipts										
Operating receipts	166,670	170,320	175,802	183,245	197,284	205,938	217,767	229,429	241,347	253,893
Investment receipts	168	172	176	181	186	192	198	205	211	218
Payments										
Operating payments to suppliers and employees	(130,421)	(133,170)	(137,681)	(142,600)	(148,440)	(153,913)	(158,754)	(164,412)	(170,167)	(176,137)
Finance payments	(3,461)	(4,113)	(4,681)	(5,194)	(5,871)	(6,202)	(6,563)	(6,847)	(7,255)	(7,703)
Net cash flows from operating activities	32,956	33,209	33,616	35,632	43,159	46,015	52,649	58,375	64,136	70,271
Cash flows from investment activities										
Receipts										
Grants specifically for new or upgraded assets	5,767	4,766	5,615	5,968	1,336	2,738	1,703	8,415	6,592	8,749
Sale of replaced assets	1,193	1,170	1,198	1,225	1,258	1,298	1,339	1,382	1,426	1,471
Sale of surplus assets	-	_	_	_	_	-	-	_		
Payments										
Expenditure on renewal/replacement of assets	(27,214)	(27,563)	(27,843)	(32,694)	(35,483)	(37,039)	(37,686)	(38,917)	(40,191)	(41,140)
Expenditure on new/upgraded assets	(26,012)	(23,172)	(23,065)	(21,541)	(16,885)	(20,230)	(23,684)	(37,426)	(40,918)	(45,408)
Net cash flows from investment activities	(46,266)	(44,800)	(44,095)	(47,042)	(49,775)	(53,233)	(58,328)	(66,546)	(73,092)	(76,328)
Cash flows from financing activities										
Receipts										
Proceeds from fixed term borrowings	12,663	15,125	14,567	16,031	11,824	12,859	11,790	14,713	16,036	13,724
Payments										
Repayments of borrowings	(3,071)	(3,535)	(4,088)	(4,621)	(5,208)	(5,640)	(6,111)	(6,542)	(7,081)	(7,667)
Repayment of finance lease liabilities	(=,)	, , , , , , , , , , , , , , , , , , ,		· · · · · · · · · · · · · · · · · · ·	(-,)	(-//	\\	\-//-	V. 7	
Net cash flows from financing activities	9,592	11,591	10,479	11,410	6,616	7,218	5,679	8,170	8,956	6,057
Net increase(decrease) in cash held	(3,718)									<u>-</u>
Cash and cash equivalents at beginning of reporting period	3,718					-	-		-	-
Cash and cash equivalents at end of reporting period	-					-	-		-	
Represented by:										
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Less: Short term cash advance drawdowns	-	-	-	-	-	-	-	-	-	-
	-	-	-		-	-	-	-	-	-

APPENDIX E

Forecast Statement of Changes in Equity

The statement provides a summary of changes within the equity of the Balance Sheet at the beginning of the accounting period and the end of the accounting period. It also provides details of the reserve funds including forecast movements throughout the life of the LTFP.

FORECAST STATEMENT OF CHANGES IN EQUITY										
	2017 18	2018 19	2019 20	2020 21	2021 22	2022 23	2023 24	2024 25	2025 26	2026 27
	FORECAST \$000									
Accumulated surplus										
Balance at end of previous reporting period	536,703	552,958	564,991	576,662	591,519	610,620	632,951	659,588	697,382	737,324
Surplus/(deficit) from operations	15,944	11,790	11,509	15,428	19,783	23,128	27,395	38,954	41,093	47,781
Transfers to other reserves	(4,280)	(3,104)	(2,073)	(2,165)	(2,284)	(2,302)	(2,321)	(2,339)	(2,361)	(2,402)
Transfers from other reserves	4,592	3,347	2,235	1,595	1,602	1,505	1,563	1,180	1,210	1,241
Balance at end of period	552,958	564,991	576,662	591,519	610,620	632,951	659,588	697,382	737,324	783,943
Asset revaluation reserve										
Balance at end of previous reporting period	1,464,146	1,525,365	1,585,379	1,646,865	1,709,717	1,774,253	1,840,842	1,909,548	1,980,440	2,053,585
Gain on revaluation of infrastructure, property, plant and equipment	61,219	60,014	61,486	62,852	64,536	66,589	68,706	70,891	73,145	75,471
Balance at end of period	1,525,365	1,585,379	1,646,865	1,709,717	1,774,253	1,840,842	1,909,548	1,980,440	2,053,585	2,129,057
Community wastewater management systems reserve										
Balance at beginning of period	-	325	64	51	131	304	452	545	1,024	1,476
Transfers to reserve	606	698	801	863	945	925	906	884	863	862
Transfers from reserve	(281)	(960)	(814)	(783)	(772)	(777)	(812)	(405)	(411)	(417)
Balance at end of period	325	64	51	131	304	452	545	1,024	1,476	1,922
Open space development reserve										
Balance at beginning of period	4,852	4,602	4,262	3,910	3,546	3,169	2,775	2,364	1,935	1,488
Transfers to reserve	250	150	150	150	150	150	150	150	150	150
Transfers from reserve	(500)	(490)	(502)	(513)	(527)	(544)	(561)	(579)	(597)	(616)
Balance at end of period	4,602	4,262	3,910	3,546	3,169	2,775	2,364	1,935	1,488	1,021
Contingency reserve fund										
Balance at beginning of period	9,066	8,121	7,559	6,809	6,684	6,559	6,559	6,559	6,559	6,559
Transfers to reserve	1,170					-				-
Transfers from reserve	(2,115)	(562)	(750)	(125)	(125)					
Balance at end of period	8,121	7,559	6,809	6,684	6,559	6,559	6,559	6,559	6,559	6,559
Commercial activity reserve										
Balance at beginning of period	121	746	1,150	1,575	2,012	2,463	2,928	3,409	3,904	4,416
Transfers to reserve	-	514	537	552	569	587	606	625	645	666
Transfers from reserve	625	(110)	(112)	(115)	(118)	(122)	(126)	(130)	(134)	(138)
Balance at end of period	746	1,150	1,575	2,012	2,463	2,928	3,409	3,904	4,416	4,943
Revolving resources reserve										
Balance at beginning of period	1,819	2,035	2,256	2,481	2,713	2,953	3,200	3,454	3,717	3,988
Transfers to reserve	216	221	226	232	239	247	255	263	271	280
Transfers from reserve	-									-
Balance at end of period	2,035	2,256	2,481	2,713	2,953	3,200	3,454	3,717	3,988	4,268
Other reserves*										
Balance at beginning of period	10,715	10,433	10,729	11,031	11,341	11,662	11,993	12,334	12,686	13,049
Transfers to reserve	273	351	359	369	380	392	405	418	431	445
Transfers from reserve	(555)	(55)	(56)	(58)	(60)	(62)	(64)	(66)	(68)	(70)
Balance at end of period	10,433	10,729	11,031	11,341	11,662	11,993	12,334	12,686	13,049	13,423
Total reserves	1,551,626	1,611,398	1,672,722	1,736,145	1,801,363	1,868,749	1,938,214	2,010,265	2,084,561	2,161,194
Total equity	2,104,585	2,176,389	2,249,384	2,327,664	2,411,984	2,501,700	2,597,801	2,707,646	2,821,885	2,945,137

^{*}Other reserves include footpath reserves, stormwater management reserve, committed expenditure reserve, Seaford library fund reserve, Seaford community fund reserve, plant and fleet reserve, coast parks reserve, water business unit reserve, Sturt linear land purchase reserve, Hazel McKenzie car park reserve, developer contributions – roads reserve, Climate Change Response Fund reserve, court recoating reserve, innovation and improvement fund reserve, economic development reserve, carparking contribution scheme reserve, community corporation 20224 reserve, Hazelham south east infrastructure contribution reserve and strategic acquisition reserve.

APPENDIX F

Forecast Uniform Presentation of Finances

The Uniform Presentation of Finances Statement provides a high level summary of both the operating and capital investment activities enabling comparisons between Councils.

FORECAST UNIFORM PRESENTATION OF FINANCES										
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	FORECAST									
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating surplus/(deficit)										
Operating revenues	167,445	170,203	175,690	183,533	197,888	206,727	218,548	230,534	242,468	255,042
Less: Operating expenses	(163,122)	(168,918)	(175,676)	(180,083)	(185,612)	(192,704)	(199,426)	(206,775)	(214,962)	(223,227)
Operating surplus/(deficit) before capital amounts	4,323	1,285	14	3,449	12,276	14,022	19,122	23,760	27,506	31,814
Less: Net outlays on existing assets										
Capital expenditure on renewal and replacement of existing assets	(27,214)	(27,563)	(27,843)	(32,694)	(35,483)	(37,039)	(37,686)	(38,917)	(40,191)	(41,140)
Less: Depreciation, amortisation and impairment	29,712	31,419	33,114	32,355	31,512	32,851	34,319	35,778	37,746	39,542
Less: Proceeds from sale of replaced assets	1,193	1,170	1,198	1,225	1,258	1,298	1,339	1,382	1,426	1,471
Net outlays on existing assets	3,691	5,025	6,469	886	(2,714)	(2,890)	(2,027)	(1,758)	(1,019)	(126)
Less: Net outlays on new and upgraded assets										
Capital expenditure on new and upgraded assets	(26,012)	(23,172)	(23,065)	(21,541)	(16,885)	(20,230)	(23,684)	(37,426)	(40,918)	(45,408)
Less: Grants and contributions for new and upgraded assets	5,767	4,766	5,615	5,968	1,336	2,738	1,703	8,415	6,592	8,749
Less: Proceeds from sale of surplus assets	-	-	-	-	-	-	-	-	-	-
Net outlays on new and upgraded assets	(20,245)	(18,406)	(17,450)	(15,573)	(15,549)	(17,492)	(21,981)	(29,011)	(34,327)	(36,659)
Net lending / (borrowing) for financial year	(12,231)	(12,096)	(10,967)	(11,237)	(5,987)	(6,360)	(4,887)	(7,009)	(7,839)	(4,971)

APPENDIX G

Forecast Key Financial Indicators

Council has adopted the following suite of Key Financial Indicators (KFIs) based on those included in the Model Financial Statements and recommended by the Local Government Association and Local Government Financial Managers Group as appropriate for measuring financial sustainability.

Two additional measures for Debt Servicing and Level of Borrowings have been developed based on best practice financial management principles and an indicator of council liquidity has also been included.

A definition, method of calculation and target (where applicable) is defined for each. We have provided a graph for each KFI including projections against targets (where applicable). Where target ranges are applicable they are identified as:



within acceptable target range



outside of acceptable target range

Operating Surplus Ratio

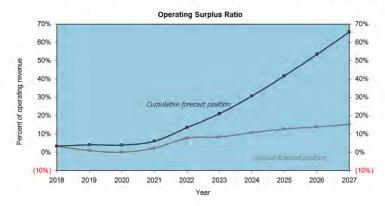
This indicator expresses the operating surplus or deficit as a percentage of general and other rates. It illustrates whether sufficient funds are being raised from current rate payers relative to the services being provided.

How it is calculated

Operating surplus (deficit) before capital amounts divided by general rates revenue (excluding the Natural Resource Management (NRM) levy).

Target

Over a rolling five year period we will achieve an operating surplus ratio of between 0% and 10%.



Date Printed: 16 November 2017



Net Financial Liabilities Ratio

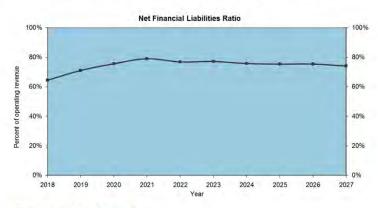
This indicator expresses the Net Financial Liabilities as a percentage of operating revenue. It illustrates the significance of the net amount owed compared to operating income.

How calculated

Net financial liabilities divided by total operating revenue (excluding NRM Levy raised).

Target

Over a rolling five year period our net liabilities as a percentage of total operating revenue will not exceed 100%.



Asset Sustainability Ratio

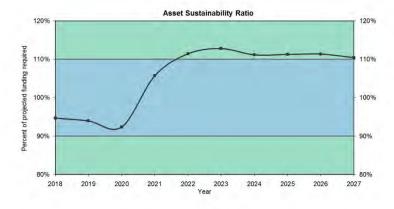
This indicator expresses expenditure on asset renewal as a percentage of the projected funding required for asset renewal. It illustrates whether existing assets are being replaced or renewed at the rate they are being consumed.

How calculated

Expenditure on renewal/replacement of assets (net of sale proceeds) divided by the projected funding required for asset renewal for the financial year.

Target

Over a rolling five year period expenditure on renewal of assets will be greater than 90% but less than 110% of the expenditure proposed in our Asset Management Plans.





Interest Cover Ratio

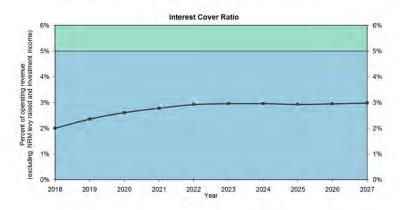
This indicator expresses the net interest expense as a percentage of operating revenue. It illustrates the extent operating revenues are committed to paying interest expense.

How calculated

Total finance charges (net of investment income) divided by total operating revenue (excluding NRM Levy raised and investment income).

Target

Over a rolling five year period our finance charges as a percentage of total operating revenue will not exceed 5%.



Asset Consumption Ratio

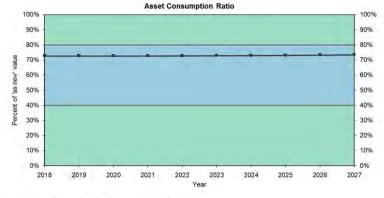
This indicator expresses the total carrying value (depreciated value) of assets as a percentage of the gross value (non-depreciated value) of assets. It illustrates the amount of asset life or 'as new' condition remaining in the depreciable assets.

How calculated

The carrying value (depreciated value) of infrastructure, property, plant and equipment (excluding land) divided by the 'as new' value (non-depreciated value) of infrastructure, property, plant and equipment (excluding land).

Target

The asset consumption ratio will be between 40% and 80% at any point in target period.



Long Term Financial Plan 2017/18 - 2037/38



Adjusted Liquidity Ratio

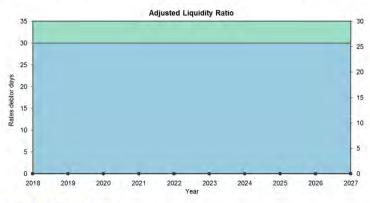
This indicator expresses the ability of Council to make payment on its current liabilities as and when they fall due within the following period taking into account cash available from undrawn budget funding. It is expressed as the number of rates debtor days to be collected to meet current liability requirements.

How calculated

The shortfall between total current assets (adjusted to include cash from undrawn budgeted funding) and total current liabilities divided by rates income and multiplied by the number of days in a year.

Target

The adjusted liquidity ratio, expressed as the number of rates debtor days, will be 30 days or less.



Level of borrowings

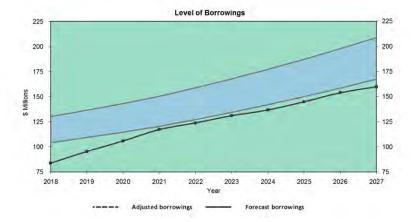
This indicator details the approved and forecast borrowings (ie outstanding principal) compared to our capacity to borrow given funding held specifically to fund growth. It reflects the impact of borrowings from the perspective of Council's outstanding liability.

How calculated

Level of borrowings compared to our capacity to borrow.

Target

An upper limit of 100% of our capacity to borrow has been adopted for this indicator with a lower target limit of 80%.



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Long Term Financial Plan 2017/18 - 2037/38



Forecast Debt Servicing

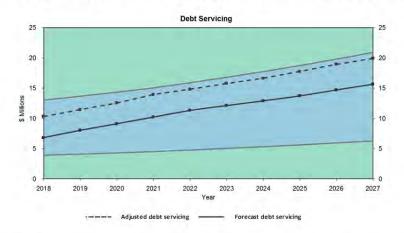
This indicator expresses forecast debt servicing costs (principal and interest) compared to rates revenue. It reflects the impact of borrowings from the perspective of debt servicing and its effect on operating, cash flow and funding results.

How calculated

Actual repayments compared to adopted debt servicing limits.

Target

Total debt servicing will be below an upper debt servicing limit of 10% and above a lower limit of 3% of rate revenue.



 $Note: Adjusted \ borrowing \ and \ debt \ servicing \ levels \ assume \ money \ held \ for \ specific \ purposes \ is \ not \ used \ to \ offset \ our \ overall \ borrowings.$

The forecast borrowings and debt servicing levels reflect the offset of money held for specific purposes and forms the basis of forecasting our cash flow requirements.

9.6 Quarterly financial update incorporating Budget Review 1 2017-18

This is a regular or standard report.

Manager: Darren Styler, Manager Finance

Report Author: Diane Eckermann, Team Leader Management Accounting

Contact Number: 8384 0121

Attachments: 1. Quarterly financial update for the period to

30 September 2017 (31 pages)

2. Budgeted Financial Statements (11 pages)

1. Purpose

This report provides analysis of our actual financial performance to 30 September 2017 compared to the approved budget, analysis of the approved budget compared to the proposed budget arising from Budget Review 1 and analysis of the impacts of Budget Review 1 and other financial decisions made during the quarter on the 2018-19 Budget and our Long Term Financial Plan.

This report also provides commentary in relation to various financial risks arising as a result of changes proposed and already made across the government sector that **could significantly impact council's long term financial sust**ainability, and outlines the activities we are currently undertaking to mitigate these.

2. Recommendations

- That Council note the quarterly financial update provided in the agenda report and attachment 1 to the agenda report, specifically noting the following:
 - the impact of Budget Review 1 for 2017-18 is a net funding surplus of \$93,654 which is proposed to be transferred to the Contingency Reserve resulting in a balanced Funding Statement
 - decisions of Council, operational and external factors have resulted in approximately \$156,000 of adverse significant variations impacting the 2018-19 Budget.
- 2. That Council adopt the proposed 2017-18 Budget incorporating Budget Review 1 outcomes as discussed in the agenda report and presented at attachments 1 and 2 to the agenda report.

3. Background

The Local Government *(Financial Management) Regulations 2011* (the Regulations) specify the number and timing of budget reviews that must be considered by Council following adoption of the budget.

At its meeting on 4 July 2017 Council adopted the 2017-18 Budget and in accordance with the Regulations resolved (in part) that:

The budget will be reviewed four times during the financial year for the periods ended:

• 30 September 2017

- 31 December 2017
- 31 March 2018
- 30 June 2018 (as part of our end of financial processes).

At its meeting on 12 September 2017 Council approved the 2016-17 carried forward budgets to be incorporated into the 2017-18 Budget.

4. Financial Implications

This report and its attachments provide analysis of the current year and long term impacts of the proposed Budget Review 1 amendments to be adopted and included in the 2017-18 Budget.

The impact of Budget Review 1 for 2017-18 is a net funding surplus of \$93,654 which is proposed to be transferred to the Contingency Reserve resulting in a balanced Funding Statement.

The balance of the Contingency Reserve totals \$8,160,043 at Budget Review 1. This amount includes:

- \$2.7m of funds to cover the internal project and change management costs associated with the ICT Reform Project, as per Council resolution on 16 May 2017 and subject to final Council approval.
- \$1.2m of additional supplementary road funding to be utilised for road works, as per Council resolution of 27 June 2017.
- \$1.2m of funds to support high priority initiatives that aligns with our Sport and Active Recreation Strategic Management Plan, as per Council's resolution of 8 November 2016.

The financial implications of various risks Council is currently exposed to are also outlined in this report and its attachments.

5. Risk and Opportunity Management

Risk							
Identify	Mitigation						
Failure to effectively manage councils financial resources in the short, medium and long term potentially results in councils financial sustainability being impaired	The financial implications of recommendations to Directors Group, Council or any of Council's sub committees are outlined in each report considered by these bodies. In addition the financial planning and budgetary process and quarterly budget reviews provide appropriate financial analysis for consideration by Council to ensure financial resources are effectively managed in the short, medium and long term to achieve financial sustainability.						

Risk					
Identify	Mitigation				
Failure to comply with timelines specified in Section 9 of the Regulations.	Budget reviews have been scheduled for Council consideration in accordance with the requirements of the Regulations.				
Failure to effectively manage financial risks arising as a result of changes proposed and already made across the government sector that could significantly impact Council's long term financial sustainability.	Mitigation activities in relation to significant financial risks are outlined in this report and its attachments.				

6. Additional information

The quarterly financial analysis and commentary in relation to significant financial risks is presented at attachment 1 to this report.

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ATTACHMENT 1

QUARTERLY FINANCIAL UPDATE

FOR THE PERIOD
TO 30 SEPTEMBER 2017

DARREN STYLER

MANAGER FINANCE

DIANE ECKERMANN

TEAM LEADER FINANCIAL PLANNING & ANALYSIS



FOR THE PERIOD TO 30 SEPTEMBER 2017

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FOR THE PERIOD TO 30 SEPTEMBER 2017

EXECUTIVE SUMMARY

- Actual to budget variances for the period to 30 September 2017 include the following key items:
 - Advanced FAGs funding of \$3.9m being received in 2016-17 and is addressed as part of Budget Review 1 below. This advanced funding creates a
 core grants and subsidies variance of \$2.3m to budget.
 - Developer contributions received and transferred to reserve that were not budgeted for totalling \$541k. These amounts have been incorporated into Budget Review 1.

All other variances reflect timing differences in budgeted and actual spend with no significant variances projected for the year end.

- Budget Review 1 results in a net funding surplus of \$94k arising from the following key items:
 - Additional FAG's Road funding \$281k less reduced FAG's General funding \$112k giving a net \$169k surplus.
 - Water for clubs subsidy required for 2017-18 totalling \$66k

It is proposed that the \$94k funding surplus at Budget Review 1 be transferred to the Contingency Reserve resulting in a balanced Funding Statement. The balance of the Contingency Reserve therefore totals \$8.2m at Budget Review 1. This amount includes the following:

- \$2.7m of funds to cover the internal project and change management costs associated with the ICT Reform Project, as per Council resolution on 16 May 2017 and subject to final Council approval.
- \$1.2m of additional supplementary road funding to be utilised for road works, as per Council resolution of 27 June 2017.
- \$1.2m of funds to support high priority initiatives that aligns with our Sport and Active Recreation Strategic Management Plan, as per Council's resolution of 8 November 2016.
- The impact of Budget Review 1, other financial decisions of Council and changes in State Government levies, fees and charges over the year to date has
 resulted in approximately \$156k of adverse significant variations impacting the 2018-19 Budget as follows:

Core activities		
	\$'000	% Rate increase/ (decrease)
2017-18 Budget baseline	110,710	
External impact		
EPA Levy	440	0.35%
Rates Rebates Housing SA properties	60	0.05%
Financial Assistance Grants	(39)	(0.03)%
Total External	461	0.37%
Internal impact		
LED Lighting savings	(305)	(0.24)%
Total Internal	(305)	(0.24)%
Revised baseline Budget 2018-19	110,866	0.12%

- From a long term perspective, council is expected to meet all Key Financial Indicator targets over the 10 year period 2018-19 to 2027-28. Over the long term no material financial sustainability concerns are noted based on current financial planning assumptions. It should be noted however that borrowings remain at capacity over the planning horizon.
- Council continues to be exposed to significant financial risks as a result of changes proposed and already made across the government sector. We continue to work with the LGA and are advocating directly on the following matters:
 - Rate capping
 - Housing SA stock transfers to NGO Housing Associations
 - Planning, Development and Infrastructure Act 2016
 - EPA levy increases

- Dog and Cat Management (Miscellaneous) Amendment Bill 2015
- Local Nuisance and Litter Control Act 2016
- ESCOSA water pricing requirements
- Electricity pricing

FOR THE PERIOD TO 30 SEPTEMBER 2017

1. INTRODUCTION

This document provides analysis of our actual financial performance to 30 September 2017 compared to the approved budget, analysis of the approved budget compared to the proposed budget arising from Budget Review 1 and analysis of the impacts of Budget Review 1 and other financial decisions made during the quarter on the 2018-19 Budget and our Long Term Financial Plan.

The information is presented in Funding Statement format as the Funding Statement provides a summary of all of council's income and expenditure (capital and operating).

A full set of proposed budgeted statements, incorporating Budget Review 1 outcomes, is presented at attachment 2 for Council approval.

This document also provides commentary in relation to various financial risks arsing as a result of changes proposed and already made across the government sector that could significantly impact council's long term financial sustainability, and outlines the activities we are currently undertaking to mitigate these.

FOR THE PERIOD TO 30 SEPTEMBER 2017.

2. APPROVED BUDGET VS ACTUALS YEAR TO DATE (30 SEPTEMBER 2017)

We have analysed our actual performance to 30 September 2017 against our approved budget for the same period. Table 1 below presents this analysis. Variances between actual and budget either result from:

- · Actual budget variations (where actual \$ amounts are different to budget)
- Timing differences (where actual spend is now forecast to occur later than originally budgeted however the \$ amount budgeted is unchanged)

Significant variances, being those greater than +/-\$50,000 and +/-5%, are explained below the table:

Table 1: Funding Statement approved budget vs actuals year to date (30 September 2017)

	Approved budget YTD \$'000	Actual YTD \$'000	Variance YTD Fav/(Unfav) \$'000	Variance YTD %	Note	Total committed \$'000
Core Activities					1.0.0	
Income						
Rates	17,856	17,695	(161)	(0.9)%		- 4
Statutory charges	1,694	1,635	(59)	(3.5)%		+
User charges	471	598	127	27.0%	1	- 2
Grants, subsidies and contributions	4,535	2,178	(2,357)	(52.0)%	2	
Investment income	33	19	(14)	(43.9)%		
Reimbursements	291	350	59	20.2%	3	
Other Revenue	59	54	(5)	(8.5)%		+
Total Revenue	24,939	22,529	(2,410)	(9.7)%		
Expenditure						
Employee costs	9,844	9,134	710	7.2%	4	-
Contractual services	5,076	4,717	359	7.1%	5	7,298
Materials	2,253	2,013	240	10.6%	6	208
Asset Renewal Project Expenditure	6,136	3,042	3,094	50.4%	7	11,338
Other	1,630	1,562	68	4.2%		124
Total Expenditure	24,939	20,469	4,470	17.9%		18,968

	Approved budget YTD \$'000	Actual YTD \$'000	Variance YTD Fav/(Unfav) \$'000	Variance YTD %	Note	Total committed \$'000
Value Added Projects & Services						
Income						
Rates	9,218	9,192	(26)	(0.3)%		
CWMS Rates	756	757	1	0.1%		-
User Charges Revenue	864	920	56	6.5%	8	-
Grants, subsidies and contributions	1,453	1,328	(125)	(8.6)%	9	-
Reimbursements	8	11	4	49.3%		T-
Other Revenue	92	95	4	3.9%		
Transfers from Reserves	1	-	+	-		-
Brought Forward Surplus (Deficit) position		(-)	- 1	1,4		-
Total Revenue	12,391	12,304	(87)	(0.7)%		E
Expenditure						
Employee costs	5,766	5,524	242	4.2%		-
Contractual services	3,436	3,216	220	6.4%	10	1,294
Materials	474	296	178	37.6%	11	167
Project Expenditure (Gross)	1,144	1,150	(5)	0.5%		134
Other	1,570	1,493	77	4.9%		147
Total Expenditure	12,391	11,678	712	5.7%		1,745

	Approved budget YTD \$'000	Actual YTD \$'000	Variance YTD Fav/(Unfav) \$'000	Variance YTD %	Note	Total committed \$'000
New Assets and Significant Upgrades						
Income						
Rates	4,840	4,793	(47)	(1.0)%		
Amounts Received for Specific New or Upgrade Projects	297	33	(264)	(88.9)%	12	-
Total Revenue	5,137	4,826	(311)	(6.1)%		
Expenditure						
Project Expenditure (Gross)	4,086	3,546	540	13.2%	13	6,084
Borrowings Capital Repayments	6	6	0	0.0%		-
Borrowings Finance Costs	1,045	889	156	14.9%	14	1,4
Total Expenditure	5,137	4,441	696	13.5%		6,084
Funding surplus/(deficit)		3,070	3,070			

FOR THE PERIOD TO 30 SEPTEMBER 2017

Significant variances approved budget vs actual year to date (30 September 2017)

Note	Description	Variance \$'000	Variance %	Comment
	Core Activities			
1	User charges	127	27.0%	 The variance predominately relates to: Waste Management income from additional bins \$42k is a budget timing variance. Rent and Fee income \$24k increase following re-negotiation of a number of leases. Water for Clubs turf management fee increase based on the cost of maintaining a sports surface \$33k. Amounts have been incorporated in Budget Review1.
2	Grants, subsidies and contributions	(2,357)	(52.0)%	This variance relates to advanced FAGs funding being recognised in 2016-17 in accordance with accounting standards and the timing of R2R and SLRP road funding payments differing to budget timings.
3	Reimbursements	59	20.2%	This variance relates to the timing of various insurance claims.
4	Employee costs	710	7.2%	This variance relates to staff vacancies during the first quarter. Vacant positions temporarily covered by contract staff are addressed in Budget Review 1 to a value of \$194k. We will continue to monitor employee costs and reflect any forecast year end savings as part of Budget Review 2.
5	Contractual services	359	7.1%	Having reviewed the level of committed expenditure, we are comfortable the variance relates to timing differences with no significant variation projected for the year end.
6	Materials	240	10.6%	Having reviewed the level of committed expenditure, we are comfortable the variance relates to timing differences with no significant variation projected for the year end.

Note	Description	Variance \$'000	Variance %	Comment
7	Asset Renewal Project Expenditure	3,094	50.4%	Having reviewed the level of committed expenditure, we are comfortable the variance relates to timing differences with no significant variation projected for the year end.
	Value Added Projects & Services			
8	User Charges Revenue	56	6.5%	This positive variance predominantly relates to income from the Tourist Parks. This income will be monitored given the seasonal nature and any budget adjustment required reflected as part of Budget Review 2.
9	Grants, subsidies and contributions	(125)	(8.6)%	This variance relates to the timing of the HACC budgets. No significant variation projected for the year end.
10	Contractual services	220	6.4%	Having reviewed the level of committed expenditure, we are comfortable the variance relates to timing differences with no significant variation projected for the year end.
11	Materials	178	37.6%	Having reviewed the level of committed expenditure, we are comfortable the variance relates to timing differences with no significant variation projected for the year end.
	New Assets and Significant Upgrades		8.	
12	Amounts Received for Specific New or Upgrade Projects	(264)	(88.9)%	This variance reflects project timings noted in 13 below. No significant variances projected for the year end.
13	Project Expenditure (Gross)	540	13.2%	Having reviewed the level of committed expenditure and adjustments in Budget Review 1, we are comfortable the variance relates to timing differences with no significant variation projected for the year end.
14	Borrowings Finance Costs	156	14.9%	This variance relates to the timing of budgets. No significant variation projected for the year end.

FOR THE PERIOD TO 30 SEPTEMBER 2017

3. APPROVED BUDGET VS PROPOSED BUDGET (FORECAST YEAR END POSITION)

Having performed the above analysis we have also reforecast our year end budget position. Table 2 below provides a comparison of the current approved budget compared to our proposed budget at Budget Review 1. Variances between the current approved budget and the proposed budget either result from:

- . Budget variations (where actual \$ amounts are/or are expected to be different to the current budget)
- . Carry forwards (where actual spend is now forecast to occur in the next financial year however the \$ amount budgeted is unchanged)

Significant variances, being those greater than +/-\$50,000 and +/-5%, are explained below the table:

Table 2: Funding Statement approved budget vs proposed budget (forecast year end position)

	Approved budget \$'000	Proposed budget \$'000	Variance Fav/(Unfav) \$'000	Variance YTD %	Note
Core Activities	\$ 000	\$ 000	\$ 000	70	Note
Income					
Rates	85,867	85,828	(39)	(0.0)%	
Statutory charges	3,625	3,625	4	0.0%	
User charges	1,031	1,088	58	5.6%	1
Grants, subsidies and contributions	14,921	11,626	(3,295)	(22.1)%	2
Investment income	168	168		0.0%	
Reimbursements	1,419	1,408	(11)	(0.8)%	
Other Revenue	199	186	(13)	(6.5)%	
Transfers from Reserves	3,945	5,465	1,520	38.5%	3
Brought Forward Surplus (Deficit) position	2.	3,893	3,893	100%	4
Total Revenue	111,174	113,287	2,113	1.9%	
Expenditure					
Employee costs	40,528	40,737	(209)	(0.5)%	
Contractual services	26,830	27,256	(426)	(1.6)%	
Materials	9,851	9,862	(11)	(0.1)%	
Asset Renewal Project Expenditure	27,905	29,229	(1,323)	(4.7)%	
Other	4,783	4,842	(59)	(1.2)%	
Transfer to Reserves	1,277	1,362	(85)	(6.6)%	5
Total Expenditure	111,174	113,287	(2,113)	(1.9)%	

	Approved budget	Proposed budget	Variance Fav/(Unfav)	Variance YTD	
	\$'000	\$'000	\$'000	%	Note
Value Added Projects & Services					
Income					
Rates	33,046	33,288	243	0.7%	
CWMS Rates	3,026	3,028	1	0.0%	
User Charges Revenue	4,804	4,632	(171)	(3.6)%	
Grants, subsidies and contributions	5,622	5,687	65	1.2%	
Reimbursements	117	117		0.0%	
Other Revenue	291	291		0.0%	
Transfers from Reserves	5,475	5,575	100	1.8%	
Total Revenue	52,380	52,617	237	0.5%	

Expenditure					
Employee costs	22,943	23,064	(121)	(0.5)%	
Contractual services	11,341	10,863	478	4.2%	
Materials	2,474	2,419	55	2.2%	
Project Expenditure (Gross)	6,197	7,074	(876)	(14.1)%	6
Other	7,111	7,102	9	0.1%	
Transfers to Reserves	2,313	2,095	218	9.4%	7
Total Expenditure	52,380	52,617	(237)	(0.5)%	

	Approved budget \$'000	Proposed budget \$'000	Variance Fav/(Unfav) \$'000	Variance YTD %	Note
New Assets and Significant Upgrades					
Income					
Rates	11,178	10,974	(203)	(1.8)%	
Amounts Received for Specific New or Upgrade Projects	6,422	6,485	63	(1.0)%	8
New Borrowings	13,519	12,469	(1,050)	(7.8)%	9
Transfers from Reserves	10,890	11,781	891	8.2%	10
Total Revenue	42,008	41,708	(300)	(0.7)%	
Expenditure					
Project Expenditure (Gross)	34,100	33,259	841	2.5%	11
Borrowings Capital Repayments	3,371	3,371	1.0	0.0%	
Borrowings Finance Costs	4,017	4,017		0.0%	
Transfers to Reserves	520	1,061	(541)	(104.0)%	12
Total Expenditure	42,008	41,708	300	0.7%	
Funding surplus/(deficit)					

FOR THE PERIOD TO 30 SEPTEMBER 2017

Significant variances approved budget vs proposed budget

Note	Description	Variance \$'000	Variance %	Comment
	Core Activities			
1	User charges	58	5.6%	The variance relates to: Rent and Fee income increase of \$24k following re-negotiation of a number of leases. Water for Clubs turf management fee increase based on the cost of maintaining a sports surface \$33k.
2	Grants, subsidies and contributions	(3,295)	(22.1)%	Reduction in the FAGs budget due to advanced payment received in 2016-17 \$3.9m. This funding has been brought forward into 2017-18 as the Brought Forward Surplus (below in Note 4). In addition we received a net \$168k of additional FAGs funding that has been recognised in Budget Review 2 reducing the variance.
				Finally additional funding has been received for the Urban Waterways Restoration Project \$365k and Blewitt Springs Rd \$224k reducing the variance further.
3	Transfers from Reserves	1,520	38.5%	Transfers from reserves predominantly relates to transfer from the: • Plant Replacement Reserve \$642k • Drainage Construction Reserve \$359k • Open Space Reserve \$306k • Footpath Reserve \$164k Transfers result in an increase in Asset Renewal Project Expenditure.
4	Brought Forward Surplus (Deficit) position	3,893	100%	Reduction in the FAGs budget due to advanced payment received in 2016-17 \$3.9m (see Note 2 above). This funding has been brought forward as a surplus into 2017-18.
5	Transfer to Reserves	(85)	(6.6)%	This variance predominantly reflects transferring Budget Review 1 surplus to the Contingency Reserve.

Note	Description	Variance \$'000	Variance %	Comment
	Value Added Projects & Services			
6	Project Expenditure (Gross)	(876)	(14.1)%	 This variance predominantly reflects: Transfer of ICT operating budgets to project expense from contractual services \$430k to better reflect the type of work budgeted. Increase in the tourism budget of \$127k as per Council resolution 27 June 2017.
7	Transfer to Reserves	218	9.4%	Transfers from reserves predominantly relates to: CWMS Reserve, a review of the original budgeted surplus for CWMS has resulted in a reduction of \$180k. WBU Reserve, after reviewing the amount of water available for sale the original budget net surplus forecast has been reduced by \$60k.
	New Assets and Significant Upgrades			
8	Amounts Received for Specific New or Upgrade Projects	63	(1.0)%	 This variance predominantly relates to: Aldinga Sports Ground project moved out to future years decreasing income budget by \$1.0m. Developer contributions received for Open Space \$475k and Drainage works \$66k increasing the budget. Funding received for the Sturt River Linear Park trail \$405k increasing the budget.
9	New Borrowings	(1,050)	(7.8)%	Reduction in corresponding loans for the Aldinga Sports Ground project moved out to future years (Note 8 above).

Note	Description	Variance \$'000	Variance %	Comment
10	Transfers from Reserves	891	8.2%	This variance predominantly relate to transfer from the: Open Space Reserve \$326k Stormwater Reserve \$326k Footpath Reserve \$203k Climate Change Response Fund \$108k. These transfers result in an increase in project expenditure (Gross).
11	Project Expenditure (Gross)	841	2.5%	 This variance predominantly relates to: Aldinga Sports Ground project moved out to future years decreasing the project budget by \$2m and the corresponding income and loans (above in Note 8 and 9). Sturt River Linear Trail DPTI funding net of \$405k and reserve transfer from the Open Space Reserve \$95k. Thalassa Park Playground upgrade funding \$289k. Hall Crescent shared use path under the Patapinda Road Bridge budget of \$254k transferred back from the Stormwater Reserve.
12	Transfers to Reserves	(541)	(104.0)%	This variance predominantly relates to: Open Space Reserve \$475k and Drainage works \$66k developer contributions received during the quarter.

FOR THE PERIOD TO 30 SEPTEMBER 2017

4. 2017-18 BUDGET IMPLICATIONS

In proposing the revised budget at Budget Review 1 we have also considered additional variations arising through this budget review and other decisions of Council during the quarter that impact on the 2018-19 Budget. Additional variations are those items that result in movements in the budget above or below indexation.

Table 3 below outlines the proposed additional variation position at Budget Review 1 split between Core and Value Added activities. Core activities are those we are legislated to perform plus those required to maintain our financial sustainability (i.e. related to the maintenance and renewal of our assets). Value Added activities are on top of our Core activities.

Table 3: 2018-19 additional variations

		\$'000 (saving) increase
ore a	ctivities additional variations:	
CC	PA waste levy n 4 July 2016 the State Government announced a schedule of increases to the Solid Waste Levy that saw an increase for metro nuncils from \$62 to \$76 a tonne on 1 September 2016, before rising progressively to \$103 by 2019-20. For the City of Onkaparinga e financial impacts year by year are as follows, based on approximately 40,000 tonnes of rubbish being subject to this levy annually:	440
-	2016-17: \$5 per tonne increase to \$62 from 1 July to 31 August 2016 plus a \$14 per tonne increase to \$76 from 1 September 2016. The full year cost of the change totalled \$560,000 which was incorporated into the adopted 2016-17 Budget.	
-	2017-18: Having allowed for indexation the \$76 per tonne cost would increase to \$78 per tonne meaning the remaining \$9 per tonne to get to the required \$87 per tonne is an increase above indexation. The amount above indexation totals \$360,000 equivalent to an approximate 0.3 per cent rate increase.	
	2018-19: Having allowed for indexation the \$87 per tonne cost would increase to \$89 per tonne meaning the remaining \$11 per tonne to get to the required \$100 per tonne is an increase above indexation. The amount above indexation totals \$440,000 equivalent to an approximate 0.36% rate increase.	
-	2019-20: The \$3 increase to \$103 per tonne is in line with indexation.	
Th	ne cost variation above indexation for 2018-19 is \$440,000	

FOR THE PERIOD TO 30 SEPTEMBER 2017

		\$'000 (saving) / increase
٠	Rate rebates Council was advised in November 2012 of the proposal to progressively divest Housing SA properties to Housing Associations. As a result these properties become eligible for 75 per cent mandatory rate rebates.	60
	The initial information provided by State government advised that approximately 10 per cent of all State Housing would be divested by 2018-19. To reflect the financial impact of this we have continued to forecast for increasing rate rebates at \$60,000 per annum until 2018-19.	
	On the basis actual rate rebates proposed for 2017-18 are in line with our forecasts an increase in rate rebates of \$60,000 is proposed for 2018-19.	
	LED electricity savings	(305)
	At its meeting of 18 April 2017 Council resolved to upgrade it street lighting to LED via SAPN LED tariff. As a result annul electricity savings of \$735k will arise once the changeover is completed. Based on the project plan timings \$430k of these annual savings were reflected in the 2017-18 Budget. The balance of \$305k represents a favourable significant variation on the 2018-19 Budget.	
	Adjustment to Financial Assistance Grants (FAGs)	(39)
	FAGs indexation has recommenced from 2017-18 and was higher than anticipated creating a positive variance for 2018-19. Whilst the current year impact is \$169k favourable this amount includes \$130k of one off items. The ongoing favourable amount is therefore \$39k.	
	Core activities sub-total	156
Va	ue added activities additional variations:	
	Value Added activities sub-total	0
	Total	156

The significant variations noted in the table above are equivalent to a rate increase of approximately 0.12 per cent.

FOR THE PERIOD TO 30 SEPTEMBER 2017

5. LONG TERM FINANCIAL PLAN IMPLICATIONS

Finally we have considered the impact the proposed budget at Budget Review 1 and other decisions of Council during the quarter have on our Long Term Financial Plan.

Table 4 below highlights council's financial performance against our Key Financial Indicators incorporating the above impacts over the 10 year period 2018-19 to 2027-28. Where a change in our financial performance has resulted these are marked with up and down arrows (up representing improved financial performance and down representing a worsening in financial performance) with explanations for these changes provided below the table.

Table 4: Financial performance against Key Financial Indicators

Key Financial Indicator *	Target	2018 - 19	2019 - 20	2020 - 21	2021-22	2022 - 23	2023- 24	2024 - 25	2025 - 26	2026 - 27	2027 - 28
Asset sustainability ratio	90-110										
Operating surplus ratio	>0%										
Net financial liabilities ratio	<100%										
Interest cover ratio	<5%										
Asset consumption ratio	40-80%										
Adjusted liquidity ratio	<30 days										
Debt servicing	<10%										
Level of borrowings	<100%										

^{*} Further information on what each of the key financial indicators means and how they are calculated in provided on the last two pages of attachment 2

Target met Marginal Underperformance (<10%)

Material Underperformance (10% or more)

FOR THE PERIOD TO 30 SEPTEMBER 2017

Changes in long term financial performance

An Elected Member workshop was held on 24 October 2017 to discuss Council's resolution to model a rate increase of 2.4% across the LTFP (The current forecast rate increase is 4.5% based on long term Federal Government indexation targets plus an allowance for cost shifting from other tiers of government based on historic trends). The cumulative effect of this modelling over 10 years highlights a need to reduce costs or defer projects by \$117k.

Outcomes from this workshop have informed the LTFP presented on tonight's agenda for Council adoption.

Overall long term financial performance

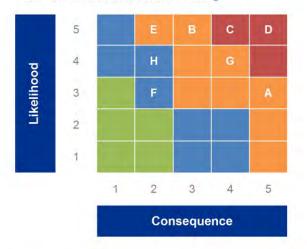
Based on the above, as can be seen from Table 4, council is expected to meet all targets over the 10 year period 2018-19 to 2027-28. Over the long term no material financial sustainability concerns are noted based on current financial planning assumptions, although it should be noted that our borrowings are now at capacity over the planning horizon.

FOR THE PERIOD TO 30 SEPTEMBER 2017

6. SIGNIFICANT FINANCIAL RISKS

There are a number of financial risks arising due to changes proposed and already made across the government sector that could significantly impact council's long term financial sustainability. Table 5 below provides details of the financial risks identified and our risk rating for each risk.

Table 5: Financial risks and risk rating



Rating	Likelihood	Consequence	
1	Rare	<\$0.1m	
2	Unlikely	>\$0.1m <\$1m	
3	Possible	>\$1m <\$2.5m	
4	Likely	>\$2.5m <\$5m	
5	Almost certain	>\$5m	

Overall risk rating Very high				
	Medium			
	Low			

Risk	Description
Α	Local Government rate capping
В	Housing SA stock transfers to NGO Housing Associations
С	Planning, Development and Infrastructure Act 2016
D	EPA levy increases

Risk	Description
Е	Dog and Cat Management (Miscellaneous) Amendment Bill 2015
F	Local Nuisance and Litter Control Act 2016
G	ESCOSA water pricing requirements
Н	Electricity pricing

FOR THE PERIOD TO 30 SEPTEMBER 2017

Table 6 below provides details of advocacy activities performed to date in relation to each of the risks identified, advocacy outcomes(including any financial implications for council) and next steps.

Table 6: Advocacy activities, outcomes and next steps

Risk	Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
A	Local Government rate capping	A Parliamentary Inquiry on Local Government rate capping policies was conducted by the Parliamentary Finance and Economic Committee in 2015-16. Onkaparinga was a proactive participant in this process advocating against the introduction of rate capping by way of written submission, appearing before the Committee and providing evidence along with supporting documentation to the Inquiry. A Private Members Bill 'Local Government (Rate Increases) Amendment Bill 2016' was also separately introduced by Mr Steven Griffiths MP into Parliament in March 2016. A Mayoral submission was issued in response advising very clearly that we would not support this Bill and a copy of our submission to the Parliamentary Inquiry was attached. The LGA also lodged a submission on behalf of local government and encouraged individual councils to lodge submissions to fully demonstrate the level of opposition to this proposal. Mayor Rosenberg as President of LGA responded to an article 'Capping off a rates debate' in Messenger Press edition of 9 August 2017	 The Parliamentary Inquiry into rate capping recommended that: Local councils retain full authority to set their own rates and that no rate cap be introduced. Local councils continue to set rates after full consultation with their communities. Councils be subject to a thorough auditing process under the auspices of the Auditor-General, consistent with section 36 of the Public Finance and Audit Act 1987. Councils be required to publish, on an annual basis, these audits. In addition to the Inquiry, the 'Local Government (Rate Increases) Amendment Bill 2016' was voted down on 9 June 2016. Despite the above, the Liberal Party have committed to take this policy to the next State Election. As such rate capping should be viewed as an ongoing potential financial risk for local government 	The LGA has initiated a staged series of campaigns, to be run over the next two years, against the introduction of rate capping in SA. This follows the initial 2016-17 campaign highlighting the broad range of facilities and services provided by councils who only collect 4% of the total taxation base. Councils are currently supporting the LGA campaign by adding LGA campaign messaging in emails. We also printed and inserted DL information flyers with the June 2017 rate instalment notices. We will continue to campaign against rate capping until the opposition drop this policy position.

Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
B Housing SA st transfers to NO Housing Associations		Although no divestment was announced for the City of Onkaparinga in 2016-17, a further 56 properties have been transferred to these Associations over the past year. We anticipate that once the current divesting project is finished, that a further staged project will be developed which may involve divesting properties within our council area. Currently our LTFP includes a \$60,000 increase in rate rebates each year for 4 years ending 2018-19. This represents an overall \$240,000 increase in rebates, equivalent to 10% of the \$2.4m worst case scenario for Council (i.e. if all Housing SA stocks transfer to NGO Housing Associations in our city).	Ongoing advocacy through the LGA and any other available political opportunities. A review of the Local Government Act 1999 is anticipated to be undertaken and may provide avenues for further advocacy for exemptions for these rebates however the current State Government have previously indicated they will not change their position in regards to this matter.

Risk	Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
С	Planning, Development and Infrastructure Act 2016	 The Planning, Development and Infrastructure Bill 2015 was informed by Council submissions as follows: Submission endorsed by Council on 29 September 2015. Submission and letters sent to Minister Rau, Hon Stephen Marshall and Shadow Ministry, other MPs and the LGA. The Bill was passed by Parliament on 12 April 2016 and became the Planning, Development and Infrastructure Act 2016. Minister Rau tabled a transitionary Bill into Parliament on Wednesday 21 September 2016, to commence the 3-5 year implementation of the Planning, Development and Infrastructure (PDI) Act 2016. The Bill provides the ability to turn aspects of the new planning system on and aspects of the current system off as the PDI Act is implemented in phases. Some elements were brought into effect from 1 April 2017 and 1 October 2017. 	Most of the original key inclusions of the Bill remain in the Act as passed. These include: • the establishment of the State Planning Commission • the creation of Environment and Food Production Areas to contain urban growth • the ability for councils to 'regionalise' through planning agreements and joint planning boards • new assessment pathways • amended infrastructure delivery scheme mechanisms, and • the establishment of an online e-planning regime. A compromise was reached on the constitution of assessment panels to impose a limit of one Elected Member per panel. The new Council Assessment Panels (CAP) came into effect on 1 October 2017 and Council appointed new members of the CAP on 13 June 2017. We await the passing of the Regulations to assess full impacts of the new legislation.	The Mayor, Elected Members and staff continue to work with the LGA to advocate for appropriate Regulations to be drafted in response to Council's concerns. Council will continue to provide feedback through formal submissions as the changes are being rolled out. We met with DPTI staff in the last quarter of 2017 to discuss our collaborative work program and prioritise the work needed to transition to the new planning system.

Risk	Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
D	EPA levy increases	Significant increases in the EPA levy have regularly been occurring since 2010-11 with advocacy activities taking place from this point. A submission made to State Government by the LGA in April 2015 in response to their draft State Waste Strategy 2015 questioned the policy, strategy development and application and use of the levy. In response to the most recent increases announced in the 2016 State Budget the LGA advocated that the September 2016 increase to be deferred until 2017-18 and continued to advocate for the release to councils' of the current \$85m accumulated in the State Government controlled Waste to Resources Fund. The LGA has also since raised concerns about a possible increase in illegal dumping due to levy increases and the impact this could have on councils.	The significant price increases in the levy announced by State Government have been incorporated into the Budget and LTFP as follows: • 2016-17: \$62 per tonne July to August and \$76 per tonne from September • 2017-18: \$87 per tonne • 2018-19: \$100 per tonne • 2019-20: \$103 per tonne Approximately 40,000 tonnes of rubbish are subject to this levy annually.	Ongoing advocacy through the LGA and any other available political opportunities. The LGA will continue to advocate for the release of money in the Waste to Resources Fund for projects to generate environmental and employment outcomes for our communities. We will continue to reinforce to our communities the \$'s collected by councils on behalf of other spheres of Government.

Risk	Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
E	Dog and Cat Management (Miscellaneous) Amendment Bill 2015	The Dog and Cat Management (Miscellaneous) Amendment Bill 2015 was introduced to the Legislative Council on 18 November 2015. It was passed by the Upper House and introduced and read for the first time in the House of Assembly on 23 March 2016. At its meeting on 16 June 2016 Council considered a report on the Amendment Bill and approved a council submission in response to the public consultation and the proposed amendments. The submission was sent to the Dog and Cat Reforms – Conservation and Land Management Branch of the State Government Department of Environment, Water and Natural Resources. Regulations to give effect to the amended Act are also being prepared. Council approved a response to public consultation at its meeting on 8 November 2016.	 The Dog and Cat Management Amendment Bill was passed in July 2016. The main changes to the Act are: Microchipping – introducing the requirement for all dogs and cats over a certain age to be microchipped. Desexing - introducing the requirement for all new generations of dogs and cats to be desexed. Breeders – introducing a requirement for anyone who breeds dogs and cats for sale to register as a breeder. Sellers – introducing a requirement for certain information to be provided to the buyer. Council Powers – councils to have greater powers to administer and enforce the Act including increases in some expiations and penalties. Assistance Dogs – changes to who can accredit animals. Registration – registration classes have been refined to a standard dog (a dog that is both microchipped and desexed) and non-standard dog. The Board recommends council's offer a 50% rebate on standard dogs. The Board is implementing a centralised registration scheme known as Dogs and Cats Online (DACO). 	The Dog and Cat Management Board is working to ensure that the Dogs and Cats Online (DACO) database is in place before the 2018-19 registration renewal period. Actions consistent with amendments to the Act have been proposed within our Draft Animal Management Plan 2017-22. This Plan is pending approval of the Board. The Board is also amending a range of policies relating to the administration of the Act including how councils set registration fees and rebates. These matters are being brought to Council to determine our policy position as the mandatory provisions of the Act come into effect.

Risk	Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
	Local Nuisance and Litter Control Act 2016	The Local Nuisance and Litter Control Bill 2015 was passed by Parliament in May 2016 and became the Local Nuisance and Litter Control Act 2016. Council considered a report on the Bill and endorsed a submission at a meeting of the Strategic Directions Committee on 1 September 2015. The submission detailed Council's opposition to the proposed legislation noting that the Bill was fundamentally flawed, the justification for transferring responsibility from the EPA to Local Government was not made out and the Bill does not provide for good administration. In November 2016 Council considered a report on the Proposed Local Nuisance and Litter Control Regulations and approved our submission to the EPA. The submission is also being shared with the LGA to advocate on behalf of local government. However, the Regulations were assented as per the consultation draft.	Following public consultation, the Bill was significantly amended however the concerns expressed in our submission were not addressed. This Act has commenced in two parts, litter provisions in February 2017 and nuisance provisions July 2017. The Act transfers responsibility for the delivery of certain services from State Government to Local Government. Subject to the Act, council is the principal authority for dealing with local nuisance and littering in its area and amongst a range of functions council is: To take action to manage local nuisance and littering To provide, or support the provision of, educational information to help detect, prevent and manage local nuisance and littering Include details of performance in its annual report prepared pursuant to s131 of the Local Government Act 1999. We anticipate an increasing demand for resources as a consequence of this Act. The full regulatory impact of the Act is unlikely to be understood for some time.	A project to implement the requirements of the Act has been commenced. Rangers and Fire Prevention Officers have been trained to manage litter reports and nuisance requests. Our development compliance officers and health officers will alternatively be involved if the matter relates to a development application, unsightly or 'insanitary' conditions. Procedures have been adopted from the LGA model procedures. Authorisations and delegations are in place to administer the provisions of the Act. About 1 FTE position is being saved as a result of changes to the Air Quality Policy and the issuing of Burning Permits. This position will be utilised under the new Act. A Service Review in mid 2018 will be undertaken to determine the impact of nuisance provisions and future resource requirements.

Risk	Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
G	ESCOSA water pricing requirements	It has been expected that ESCOSA would require minor and intermediate licensed water retailers to adopt Full Cost Recovery Pricing (FCR) from 30 June 2017 however ESCOSA have recently adopted an interim price ruling which postpones this requirement until after 30 June 2018. Applying FCR is expected to lead to significant price increases and is of particular concern for the pricing of our alternative water supply business (WBU). In response we have: • Adopted an FCR pricing model for our CWMS business but negotiated with ESCOSA for a 5 year transition before applying it in full. • Provided a CWMS rate rebate for 2017-18 to CWMS customer to enable the transition to FCR. • Adopted a CWMS pricing policy position whereby the case for a customer rebate will be assessed through the annual budget process against the forecast funds required to sustainably manage the scheme. • Initiated an LGA funded project to investigate the commercial implications of FCR on council owned water retailers in collaboration with four (4) other councils. This project include advocacy to ESCOSA where required. • Continued to engage with ESCOSA as they undertake their pricing deliberations.	 ESCOSA's light handed price monitoring regime be continued for the foreseeable future ESCOSA further investigate the transitional arrangement realistically required by small water retailers to adopt full cost recovery pricing. Recognition that a focus on long term asset management is the key to sustainable and affordable services for the long term benefit of consumers. That a Return on Asset charge should be discretionary to the entity and applied at a time when the market can bear (and accepts) the increase. Those small water retailers (of a size to be defined) are able to receive income subsidy to allow the business to operate sustainably or become established but not price itself out of the market. That ESCOSA consider limiting the regulatory impact on the smaller market participants (to encourage market entry/sustainability). 	Ongoing advocacy through the LGA and any other available political opportunities. Pending ESCOSA's position, financial modelling of FCR pricing implications may be required as well as the exploration of advocacy opportunities. We do not anticipate any update on this item until ESCOSA release their next draft price determination in the lead up to 30 June 2018.

Risk	Description	Advocacy activities to date	Outcomes (if applicable)	Next steps
Н	Electricity pricing	The Australian Competition & Consumer Commission (ACCC) has announced they will investigate energy retailers in relation to their monopoly in this industry enabling them to impose higher user charges. The LGA's 2017 State Budget Submission seeks assistance and funding for councils to reduce their energy consumption.	Provision for significant fluctuations in electricity prices have been built into our 2017-18 Budget totaling \$520k. We have been able to offset some of these increases through part year savings of \$430k as a result of our planned changeover to LED lighting. These savings are also reflected in the 2017-18 Budget. The full year LED lighting savings of \$735k will be reflected in the 2018-19 Budget.	Investigations into options for future electricity procurement, with a focus on reducing costs and exposure to market volatility, are currently underway. We will continue to implement energy efficiency measures including the changeover of approximately 16,000 streetlights to LED in 2017-18.



PROPOSED FUNDING STATEMENT FOR THE YEAR ENDING 30 JUNE 2018

	2017-18
	Proposed budge
Core activities	
Rates	85,827,921
Statutory charges	3,625,158
User charges	1,088,249
Grants, subsidies and contributions	11,626,102
Investment income	167,723
Reimbursements	1,407,766
Other revenue	185,91
Transfers from reserves	5,465,254
Brought forward surplus / (deficit) position	3,893,269
Total revenue	113,287,352
Employee costs	40,736,680
Contractual services	27,255,614
Materials	9,862,20
Asset renewal project expenditure	29,228,914
Other revenue	4,842,007
Transfers from reserves	1,361,930
Total expenditure	113,287,35
Value added activities	11000
Rates	33,288,24
CWMS rates	3,027,79
User charges	4,632,21
Grants, subsidies and contributions	5,686,804
Reimbursements	116,887
Other revenue	290,799
Transfers from reserves	5,574,720
Total revenue	52,617,464
Employee costs	23,064,425
Contractual services	10,862,787
Materials	2,418,982
Project expenditure	7,073,876
Other	7,102,416
Transfers to reserves	2,094,978
Total expenditure	52,617,464
New assets and signficant upgrades	100
Rates	10,974,256
Amounts received for new assets and significant updrades	6,484,51
New borrowings	12,468,798
Reduction in carry forward expenditure	
Transfers from reserves	11,780,749
Total revenue	41,708,314
Project expenditure	33,259,296
Borrowings capital repayments	3,370,87
Borrowings capital repayments Borrowings finance costs	4,016,92
Transfers to reserves	1,061,220
Total expenditure	41,708,314
Funding surplus/(deficit)	



PROPOSED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDING 30 JUNE 2018

2017-18

Proposed budget

	100000000000000000000000000000000000000
0	
Operating income	
Rates	133,118,220
Statutory charges	3,625,158
User charges	5,720,464
Grants, subsidies and contributions	17,312,906
Investment income	167,723
Reimbursements	1,524,653
Other revenue	476,705
Net gain - joint ventures and associates	
Total operating income	161,945,829
Operating expenses	
Employee costs	63,801,105
Materials, contracts and other expenses	69,417,889
Finance costs	4,016,921
Depreciation and amortisation	29,854,864
Net loss - joint ventures and associates	
Total operating expenses	167,090,779
Operating surplus/(deficit) before capital amounts	(5,144,950)
Capital income	
Amounts received specifically for new or upgraded assets	6,484,511
Physical resources received free of charge	5,854,280
Net surplus/(deficit)	7,193,841
Other comprehensive income	
Changes in revaluation surplus - infrastructure, property, plant and equipment	61,219,093
Non-operating items - joint ventures and associates	
Total other comprehensive income	61,219,093
Total comprehensive income	68,412,934



	Proposed budget
Current assets	
Cash and cash equivalents	-
Trade and other receivables	15,750,920
Inventories	39,856
Other non-current assets held for sale	2 2 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
Total current assets	15,790,776
Non-current assets	
Financial assets	412,732
Equity accounted investments in council businesses	11,037,000
Infrastructure, property, plant and equipment	2,165,868,247
Other non-current assets	30,213,394
Total non-current assets	2,207,531,373
Total assets	2,223,322,149
Current liabilities	
Trade and other payables	17,556,396
Short term borrowings	6,626,034
Short term provisions	12,056,156
Other current liabilities	A 14 14 14 14 14 14 14 14 14 14 14 14 14
Total current liabilities	36,238,586
Non-current liabilities	
Long term borrowings	89,720,011
Long term provisions	1,527,000
Total non-current liabilities	91,247,011
Total liabilities	127,485,597
Net assets	2,095,836,552
Equity	
Accumulated surplus	546,306,988
Asset revaluation reserve	1,525,365,093
Other reserves	24,164,471
Total equity	2,095,836,552



PROPOSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2018

161 779 106
161,778,106 167,723
107,723
(133,218,994)
(4,016,921)
24,709,914
6,484,511
1,193,206
(30,422,120)
(33,259,296)
(56,003,699)
12,468,798
(3,370,871)
-
9,097,927
(22,195,858)
(22,195,858)
(22,195,858)

2017-18

Proposed budget



	2017-18		
	Proposed budget		
Accumulated surplus			
	200		
Balance at end of previous reporting period	522,576,000		
Surplus/(deficit) from operations	7,193,841		
Transfers to other reserves	(4,518,134)		
Transfers from other reserves	21,055,281		
Balance at end of period	546,306,988		
Asset revaluation reserve			
Balance at end of previous reporting period	1,464,146,000		
Gain on revaluation of infrastructure, property, plant and equipment	61,219,093		
Balance at end of period	1,525,365,093		
Community wastewater management systems reserve			
Balance at beginning of period	C		
Transfers to reserve	560,810		
Transfers from reserve	(420,361		
Balance at end of period	140,449		
Hazel McKenzie car park			
Balance at beginning of period	12,079		
Transfers to reserve			
Transfers from reserve			
Balance at end of period	12,079		
Stormwater management			
Balance at beginning of period	1,718,445		
Transfers to reserve	66,312		
Transfers from reserve	(612,460		
Balance at end of period	1,172,297		
Footpath reserve			
Balance at beginning of period	1,448,467		
Transfers to reserve			
Transfers from reserve	(367,225)		
Balance at end of period	1,081,242		
Open space development reserve			
Balance at beginning of period	4,851,754		
Transfers to reserve	724,752		
Transfers from reserve	(1,132,787)		
Balance at end of period	4,443,719		



	2017-18 Proposed budget
Sturt linear land purchase reserve	
Balance at beginning of period	95,431
Transfers to reserve	12,000
Transfers from reserve	407.404
Balance at end of period	107,431
Coast parks reserve	
Balance at beginning of period	1,740
Transfers to reserve	
Transfers from reserve	
Balance at end of period	1,740
Court recoating reserve	
Balance at beginning of period	71,508
Transfers to reserve	19,889
Transfers from reserve	
Balance at end of period	91,397
Committed expenditure reserve	
Balance at beginning of period	14,127,334
Transfers to reserve	(44.407.004)
Transfers from reserve	(14,127,334)
Balance at end of period	
Contingency reserve fund	
Balance at beginning of period	9,066,095
Transfers to reserve	1,263,654
Transfers from reserve	(2,169,706)
Balance at end of period	8,160,043
Commercial activity reserve	
Balance at beginning of period	121,140
Transfers to reserve	1,408,553
Transfers from reserve	(953,614)
Balance at end of period	576,079
Revolving resources reserve	
Balance at beginning of period	1,818,542
Transfers to reserve	215,669
Transfers from reserve Balance at end of period	- 2,034,211



2017-18

Proposed budget

Developer contributions (roads)	
Visit State of the Control of the Co	
Balance at beginning of period	97,883
Transfers to reserve	
Transfers from reserve	100
Balance at end of period	97,883
Urban Tree Fund	
Balance at beginning of period	30,307
Transfers to reserve	1,1,
Transfers from reserve	
Balance at end of period	30,307
Plant and fleet reserve	
Balance at beginning of period	4,262,191
Transfers to reserve	
Transfers from reserve	(641,802)
Balance at end of period	3,620,389
Seaford Library fund	
Balance at beginning of period	176,599
Transfers to reserve	75,484
Transfers from reserve	
Balance at end of period	252,083
Innovation and Improvement reserve	
Balance at beginning of period	235,000
Transfers to reserve	
Transfers from reserve	*
Balance at end of period	235,000
Climate change response fund	
Balance at beginning of period	1,011,629
Transfers to reserve	-
Transfers from reserve	(171,749)
Balance at end of period	839,880
Economic Development Reserve	
Balance at beginning of period	1,464,643
Transfers to reserve	A To A 20
Transfers from reserve	(364,643)
Balance at end of period	1,100,000



	Proposed budge			
Water Business Unit reserve				
Balance at beginning of period				
Transfers to reserve	171,011			
Transfers from reserve	(93,600)			
Balance at end of period	77,411			
Community Corporation 20224				
Balance at beginning of period	28,267			
Transfers to reserve	-			
Transfers from reserve				
Balance at end of period	28,267			
Carparking Contribution Scheme				
Balance at beginning of period	9,416			
Transfers to reserve				
Transfers from reserve	, -			
Balance at end of period	9,416			
Hackham South East Infrastructure				
Balance at beginning of period	22,774			
Transfers to reserve				
Transfers from reserve				
Balance at end of period	22,774			
Strategic Acquisions				
Balance at beginning of period	30,375			
Transfers to reserve				
Transfers from reserve	6.73			
Balance at end of period	30,375			
Total reserves	1,549,529,564			
Total equity	2,095,836,552			

2017-18



PROPOSED UNIFORM PRESENTATION OF FINANCES FOR THE YEAR ENDING 30 JUNE 2018

	2017-18
	Proposed budget
Operating surplus/(deficit)	
Operating Surplus/(dentity	
Operating revenues	161,945,829
Less: Operating expenses	(167,090,779)
Operating surplus/(deficit) before capital amounts	(5,144,950)
Less: Net outlays on existing assets	
Capital expenditure on renewal and replacement of existing assets	(30,422,120)
Less: Depreciation, amortisation and impairment	29,854,864
Less: Proceeds from sale of replaced assets	1,193,206
Net outlays on existing assets	625,950
Less: Net outlays on new and upgraded assets	
Capital expenditure on new and upgraded assets	(33,259,296)
Less: Grants and contributions for new and upgraded assets	6,484,511
Net outlays on new and upgraded assets	(26,774,785)
Net lending / (borrowing) for financial year	(31,293,785)



PROPOSED KEY FINANCIAL INDICATORS FOR THE YEAR ENDING 30 JUNE 2018

Total operating revenue (excluding NRM levy raised and investment income)

Expressed as a percentage

Operating surplus ratio	1-1-1-1
The percentage by which the major controllable income source varies from day to	day expenses
Calculated as:	(5.111.050
Operating surplus/(deficit) before capital amounts	(5,144,950
Divided by:	
Rates revenue	133,118,22
Less: NRM levy raised	(2,815,626
General rates revenue (excluding NRM levy raised)	130,302,59
Expressed as a percentage	(3.9%
	1.27
Net financial liabilities ratio	
How significant is the net amount owed compared with income	
Calculated as:	
Net financial liabilities	128,628,04
21 (01 (12) 11 11 11 11 11 11 11 11 11 11 11 11 11	
Divided by:	101.015.00
Total operating revenue	161,945,829
Less: NRM levy raised	(2,815,626
Total operating revenue (excluding NRM levy raised)	159,130,20
Expressed as a percentage	81%
Interest cover ratio	
How much income is used in paying interest on loans	
Calculated as:	
Finance costs	4,016,92
Less: Investment income	(167,723
Net finance costs	3,849,19
Divided by:	
Total operating revenue	161,945,829
	(2,815,626
Less: NRM levy raised	(2.010.020

2017-18

158,962,480

2.4%

Proposed budget



Less:

Total current liabilities

Surplus / (shortfall)

Shortfall expressed as number of rates debtor days

PROPOSED KEY FINANCIAL INDICATORS FOR THE YEAR ENDING 30 JUNE 2018

Asset sustainability ratio What percentage of assets are being replaced at the rate they are wearing out	
Calculated as:	
Expenditure on renewal/replacement of assets	30,422,12
Less: Sale of replaced assets	(1,193,206
Net expenditure on renewal/replacement of assets	29,228,91
Divided by:	
Projected asset renewal funding requirement	27,486,32
Expressed as a percentage	1069
Asset consumption ratio The average proportion of 'as new condition' left in assets	
Calculated as:	
Carrying value of infrastructure, property, plant and equipment	2,179,496,20
Less: Land	(597,414,900
Carrying value of infrastructure, property, plant and equipment (excluding land)	1,582,081,30
Divided by:	
Carrying value of infrastructure, property, plant and equipment (excluding Land)	1,582,081,30
Plus: Opening accumulated depreciation and amortisation	525,868,27
Plus: Depreciation and amortisation for financial year	30,216,75
'As new' value of Infrastructure, property, plant and equipment (excluding land)	2,138,166,33
Expressed as a percentage	749
Adjusted Liquidity Ratio The ability to make payment on current liabilities as and when they fall due taking into account	undrawn funding
Calculated as:	
Total current assets	19,508,77
Add: difference between approved and forecast borrowings	24,164,47
Total current assets including cash from undrawn budget funding	43,673,24

2017-18

36,238,586

7,434,659

0

Proposed budget

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Date Printed: 16 November 2017

9.7 2017-18 Rate Rebate Mandatory

This is information seeking Council direction.

Manager: Darren Styler, Manager Finance

Report Author: Joan Murrell, Team Leader Revenue

Contact Number: 8384 0530

Attachments: 1. Rate Rebate Policy 2017-18 (11 pages)

2. Mandatory 100% Rebates (6 pages)

3. Mandatory 75% Rebates (4 pages)

4. Mandatory 75% Association Rebates (1 page)

1. Purpose

This report presents information on applications for mandatory rate rebates for 2017-18.

2. Recommendations

- 1. That properties listed in attachment 2 to the agenda report, items 1 to 92 which meet the required criteria, be granted a mandatory 100% rate rebate under Sections 160, 162 and 163 (as applicable) of the *Local Government Act 1999* for 2017-18.
- 2. That properties listed in attachment 3 to the agenda report (items 1 to 69), which meet the required criteria be granted a mandatory 75% rate rebate under Section 161 and 165(1)(b) (as applicable) of the *Local Government Act 1999* for 2017-18.
- 3. That the property listed in attachment 3 to the agenda report (item 56 School of the Nativity) continue to be granted an additional 25% discretionary rate rebate under Section 165(1) of the *Local Government Act* 1999 for 2017-18, due to the shared use with a government entity.
- 4. That the application for the property listed in attachment 3 to the agenda report (item 9 Uniting Communities) not be granted an additional 25% discretionary rate rebate under Section 165(1) of the *Local Government Act* 1999 for 2017-18 on the basis of equity with other community service providers.
- 5. That the application for the property listed in attachment 3 to the agenda report (item 10 Erwin Vogt Foundation Inc) not be granted an additional 25% discretionary rate rebate under Section 165(1) of the Local Government Act 1999 for 2017-18 on the basis of equity with other community service providers.
- 6. That the properties listed in attachment 4 to the agenda report (items 1 to 12) which meet the required criteria be granted a mandatory 75% rate rebate under Section 161(4)(c) of the *Local Government Act 1999* for 2017-18.

3. Background

At its meeting on 4 July 2017 Council adopted the Rate Rebate Policy 2017-18 to assist in determining community eligibility for rate rebates in accordance with the requirements of the *Local Government Act 1999* (the Act).

Section 5.3.6 of our Rating Policy 2017-18 includes:

Council has determined that rebates of rates will be granted when the applicant satisfies the requirements for mandatory rebates under Sections 159 to Section 165 of the Local Government Act 1999. Where applications for discretionary rebates are lodged under Section 166 of the Act, they will be considered under Council's Rate Rebate Policy and will be assessed against guidelines prepared by the Local Government Financial Management Group.

A copy of the Rate Rebate Policy 2017-18 is included at attachment 1.

Under the rebate provisions of Sections 159 to 166 of the Act, there are three key categories of rebate available:

- mandatory 100% rebates
- mandatory 75% rebates (with a discretionary option to increase rebates up to 100%)
- discretionary rebates.

Under each of the above listed categories the Act specifies the criteria under which a rebate can be granted.

This report deals with those sections of the Act relating to mandatory rebate provisions. A separate report has been prepared for consideration of discretionary rebates (item 9.8 of this agenda).

4. Financial Implications

The costs of the mandatory rebates for 2017-18 are:

Rebates	Amount
Mandatory 100% - ongoing	\$287,025.66
Mandatory 75% plus additional 25% Rebate for School of the Nativity	\$481,406.09
Mandatory 75% - Housing Associations	\$663,242.22
Subtotal mandatory rebates	\$1,431,673.97

As the mandatory and discretionary rebates are presented to Council in separate reports the table below presents the combined total of all recommended rebates.

Total all rebates	Amount
Mandatory rebates	\$1,431,673.97
Discretionary rebates	\$73,728.30
Total rebates	\$1,505,402.27

The approved rebates budget for 2017-18 is sufficient to cover the recommended rebates.

5. Risk and Opportunity Management

Risk				
Identify	Mitigation			
Failure to comply with rate rebate requirements of the Act.	Mandatory rate rebate applications are assessed for eligibility and compliance with Sections 161 to 165 of the <i>Local Government Act 1999</i> .			

6. Additional information

In accordance with the Act, 100% mandatory rebates apply to properties subject to the following specific land uses:

- Health Services Section 160
- Religious Purposes Section 162
- Public Cemeteries Section 163
- Royal Zoological Society of SA Section 164.

A 75% mandatory rebate applies to rates on the following land uses:

- Community Services Section 161 subject to specific criteria being met with an additional 25% rebate at Council's discretion
- Educational Purposes Section 165 subject to specific criteria being met with an additional 25% rebate at Council's discretion.

Council applies the land use code assigned to each property by the Valuer General on an annual basis. This land use code is used as a general guide to assessing eligibility. We also require the property owners/tenants to complete a rebate application form annually to verify eligibility.

Details of properties subject to rebate applications for 2017-18 are provided in attachments 2, 3 and 4 to this report. Properties listed in the attachments are sorted in order of the relevant Section under the Act for rebate eligibility and then by ratepayers name.

Mandatory Rebates 100% (attachment 2)

Properties listed in attachment 2 which meet the criteria specified in the Act are eligible for a mandatory 100% rebate of rates.

Mandatory Rebates 75% (attachment 3)

Properties listed in attachment 3 (excluding Housing Association properties) which meet the criteria specified in the Act are eligible for a mandatory 75% rebate of rates.

All service providers have completed an application form. The following items present rebate applications that require additional consideration by Council.

School of Nativity Primary School (item 56) - increase rebate to 100%

The property listed at item 56 in attachment 3 (Nativity Primary School) is entitled to a mandatory 75% rebate but has also been proposed for an additional discretionary 25% rebate.

Council has granted this additional rebate each year due to the shared land use with the adjoining government school. As the shared use of this area is ongoing, it is proposed that the additional 25% discretionary rebate be continued for 2017-18.

Uniting Communities (item 9) – increase rebate to 100%

The property listed at item 9 in attachment 3 is entitled to a mandatory 75% rebate but has also requested an additional discretionary 25% to bring the rebate to 100%. Council may increase the level of mandatory rebates at its discretion. A previous rate rebate application was received from this group in 2016-17. The application was denied on the basis of equity with other service providers.

Uniting Communities works across metropolitan and regional South Australia offering various community service programs. The property at 38 Beach Road, Christies Beach is used as an administration office and is also where various programs are conducted.

One such program is New ROADS (Residential and Outreach Alcohol and Drug Service). This program is a community-based drug and alcohol rehabilitation program for adults aged 21 and over, who have a substance abuse problem and want to make positive changes.

Residents of New ROADS live in shared houses across the metropolitan area, based on a five month stay. Residents work on their own individual treatment plans and also receive a full therapeutic group program and individual counselling weekly. The property at 8 Cocking Road, Christies Beach, owned by Erwin Vogt Foundation (item 10, see below) is used by these residents as a shared house.

The applicant states that rate relief will allow continued delivery of essential services in the south.

Other comparative counselling service providers within the Onkaparinga area receive the 75% mandatory rebate only.

It is recommended that the request for an additional 25% rebate not be granted thus maintaining a level of equity and consistency for providers of this style of service.

Erwin Vogt Foundation Inc (item 10) – increase rebate to 100%

The property listed at item 10 in attachment 3 is entitled to a mandatory 75% rebate but has also requested an additional discretionary 25% to bring the rebate to 100%. Council may increase the level of mandatory rebates at its discretion. A previous rate rebate application was received from this group in 2016-17. The application was denied on the basis of equity with other service providers

The Erwin Vogt Foundation is a charity which donates profits to its main entity being Uniting Communities. As advised in item 9 above, this property is used for accommodation for the clients participating in the New ROADS programs run by Uniting Communities.

The use of the property at 8 Cocking Street as supported accommodation is comparative to other housing associations within the Onkaparinga area, which receive the 75% mandatory rebate only.

The applicant states that rate relief will allow continued delivery of essential services in the south.

It is recommended that the request for an additional 25% rebate not be granted thus maintaining a level of equity and consistency for providers of this style of service.

Mandatory Rebates 75% - Housing Associations (attachment 4)

Properties listed in attachment 4 which meet the criteria specified in the Act are eligible for a mandatory 75% rebate of rates.

Rebates for these associations now total \$663,242.22 compared to \$638,663.34 for 2016-17.



Council policy

Rate rebate 2017-18 policy

This policy, Rate rebate 2017-18, was adopted by Council on 04/07/2017.

1. Preamble

Where Council commits to achieving standards or requirements that are beyond those imposed by law it will endeavour to achieve those standards or requirements to the best of its ability.

The contents of and the commitments that Council makes in this policy are not intended to be and should not be interpreted to be any more than a statement of the Council's general position in relation to those matters and to facilitate its aspirations wherever it is reasonable to do so.

2. Purpose

The purpose of this policy is to assist Council in deciding applications for and to provide guidance to the community as to the grounds upon which they may be entitled to a rebate of rates in accordance with the requirements of the *Local Government Act 1999* (SA) (the Act).

In accordance with the Act this policy sets out the type of use in respect of land which the Council must grant a rebate of rates and the amount that this rebate must be and those types of land uses where the Council has discretion to grant a rebate of rates.

3. Principles

Council's policy directions are guided by the three principles of sustainability, good public administration and community leadership, which are detailed in the City of Onkaparinga's *Council Lead Policy*.

Council's role is to ensure that our communities have continual access to an appropriate range of facilities and services.

Council's decisions and practices regarding rate rebates are underpinned by:

- accountability, transparency and simplicity
- efficiency, effectiveness and timeliness
- consistency with Council's strategic, corporate and financial directions and budgetary requirements
- compliance with the requirements and intent of relevant legislation and accepted professional conventions and ethics.

Council recognises that adverse economic conditions may from time to time impact on the economic base(s) within the City of Onkaparinga and will consider requests for rebates based on individual merit.



Council policy

Chapter 10 of the Act empowers local government to levy rates and charges on land and provides some general principles for consideration when developing rating policies. Our Rating Policy is the lead document in respect to the application of rates within the City of Onkaparinga and provides detailed explanations of our principles and objectives.

In developing this policy Council has also given consideration to the five principles previously identified by the local government industry in the document 'Local Government Rating – A Consultation Paper, April 2001', that apply to the imposition of taxes on communities.

In summary those principles are:

- equity
- benefit
- ability-to-pay
- efficiency
- simplicity.

4. Definitions

'Act' refers to the Local Government Act 1999 (SA).

'Council' (with a capitalised C) refers to the elected Council body.

'council' (with a non-capitalised c) refers to council as the organisation.

'Discretionary Rebate' refers to rebates where Council may apply a rebate in accordance with criteria specified in the Act.

Mandatory Rebate' refers to rebates that Council must grant in accordance with the Act.

'Rating' refers to the overall process of raising revenue by way of levying rates and charges.

'Rebates' refers to an amount that a rate or charge may be reduced in accordance with Chapter 10, Division 5 of the Act.

5. Detail

The Act is the principal legislative document that directs Council on the rebate of rates. The Act acknowledges that there are particular land uses that are economically disadvantaged and provide local community benefit and therefore must be offered rate relief in order to be sustainable. Further discretionary provisions allow for Council to determine whether other desirable land uses may be offered rate relief. In determining discretionary rebates primary consideration would be directed towards Council's strategic directions, budget considerations, the current economic climate and likely impacts on our communities.

The Act provides:

 for a mandatory rebate of rates in specified cases and the amount of that mandatory rebate (see section 5.2 below)



Council policy

- that where Council must grant a rebate of rates under the Act, and the amount of that rebate if fixed by the Act at less than 100%, Council may increase the amount of the rebate
- in Section 166, for Council to provide a discretionary rebate of rates in the cases set out in that Section (see Clause 5.3 below).

5.1 Rating Objectives

In developing rating policy Council has identified and developed key objectives in response to the outcomes of our community engagement activities and on-going annual reviews:

Equity for our communities

A key consideration in developing a taxation system is the equity principle. In developing rating policy we have endeavoured to ensure that the rating responsibility is distributed in an equitable manner across and within our communities. To achieve this objective our policy is designed to:

- improve equity in rate distribution across our communities
- prevent inequitable shifts in rate responsibility
- collect a base contribution from all rateable properties
- equally distribute the responsibility of rates across the community (unless some compelling application of the other taxation principles should be applied)
- raise an equitable level of contribution from each land use sector.

Benefit to our communities

A further consideration in developing a taxation system is the benefit principle. Our rating structure has been developed to address objectives identified as outcomes of our community engagement activities. Our communities sought a movement away from a purely valuation based rating system to a system which provided some recognition of the benefits received by particular groups. To achieve this objective our policy is designed to:

- minimise the impact of property valuation movements
- move away from valuation based rating by breaking the direct link between valuation and rates
- maintain the relativity within differing communities and between communities
- recognise communities where there is a greater consumption of services and resources.

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Economic and property development

In developing rating policy Council must make political and professional judgements based on a number of guiding principles and objectives. These principles and objectives are often competing and must be balanced to achieve the desired outcome. Our rating policy seeks to balance Council's economic and property development focus and to achieve this objective our policy is designed to:



Council policy

- facilitate a strong and vibrant economic environment
- · support the growth of business within the area
- balance the issue of consumption of resources with economic development objectives
- encourage development on vacant land
- recognise the importance of arable land suitable for viable primary production.

Taxation principles

While balancing the community needs and Council's broader economic and development objectives we have developed a policy which also provides a balance against the principles of taxation. Our policy objectives, methodologies and strategies have been developed with this in mind and rank highly against the principles of taxation.

5.2 Mandatory rebates

Council must grant a rebate in the amount specified in respect of those land uses which the Act provides will be granted a rebate.

Rates on the following land will be rebated at 100%:

- Health services (Section 160)
 - land being predominantly used for service delivery or administration by a hospital or health centre incorporated under the South Australia Health Commission Act 1976
- Religious purposes (Section 162)
 - land containing a church or other building used for public worship (and any grounds) or land solely used for religious purposes
- Public cemeteries (Section 163)
 - land being used for the purposes of a public cemetery
- Royal Zoological Society of SA (Section 164)
 - land (other than land used as domestic premises) owned by, or under the care, control and management of, the Royal Zoological Society of South Australia Incorporated

Rates on the following land will be rebated at 75%:

- Community services (Section 161)
 - land being predominantly used for service delivery or administration (or both) by a community services organisation. A 'community services organisation' is defined in the Act as a body that:
 - is incorporated on a not for profit basis for the benefit of the public
 - provides community services without charge or for a charge that is below the cost to the body of providing the services
 - does not restrict its services to persons who are members of the body.



Council policy

It is necessary for a community services organisation to satisfy all of the above criteria to be eligible for the mandatory 75% rebate.

The Act further provides that eligibility for a rebate by a community services organisation is subject to the provision of one or more of the following community services as the predominate use of the land:

- emergency accommodation
- food or clothing for disadvantaged persons (i.e. persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability)
- supported accommodation (ie residential care facilities in receipt of Commonwealth funding or accommodation for persons with mental health, intellectual, physical or other difficulties who require support in order to live an independent life), essential services, or employment support, for persons with mental health disabilities, or with intellectual or physical disabilities and also including accommodation for persons provided by housing associations registered under the Community Housing Providers National Law.
- legal services for disadvantaged persons
- drug or alcohol rehabilitation services
- the conduct of research into, or the provision of community education about, diseases or illnesses, or the provision of palliative care to persons who suffer from diseases or illnesses.

Educational purposes (Section 165)

- land occupied by a government school under a lease or licence and being used for educational purposes
- land occupied by a non-government school registered under Part 5 of the *Education Act 1972* and being used for educational purposes, or
- land being used by a university or university college to provide accommodation and other forms of support for students on a not for profit basis.

Where Council is satisfied from its own records or from other sources that a person or body meets the necessary criteria for a mandatory 100% or 75% rebate, Council will grant the rebate of its own initiative. Where Council is not satisfied it will require the person or body to apply for the rebate in accordance with Clause 5.4 of this policy.

Where a person or body is entitled to a rebate of 75% Council may, pursuant to Section 159(4) of the Act, increase the rebate up to a further 25%. Council may grant the further 25% rebate upon application or on its own initiative. In either case Council will take into account those matters set out at Clauses 5.4 of this policy.

Where an application is made to Council for a rebate of up to a further 25% the application will be made in accordance with Clause 5.4 of this policy and Council will provide written notice to the applicant of its determination of that application.



Council policy

5.3 Discretionary rebates

Council may in its absolute discretion grant a rebate of rates or service charges in any of the following cases pursuant to Section 166(1) of the Act:

- where it is desirable for the purpose of securing the proper development of the area (or a part of the area)
- where it is desirable for the purpose of assisting or supporting a business in its area
- where it will be conducive to the preservation of buildings or places of historic significance
- where the land is being used for educational purposes
- 5. where the land is being used for agricultural, horticultural or floricultural exhibitions
- 6. where the land is being used for a hospital or health centre
- where the land is being used to provide facilities or services for children or young persons
- 8. where the land is being used to provide accommodation for the aged or disabled
- where the land is being used for a residential aged care facility that is approved for Commonwealth funding under the Aged Care Act 1987 (Commonwealth) or a day therapy centre
- 10. where the land is being used by an organisation which, in the opinion of the Council, provides a benefit or service to the local community
- 11. where the rebate relates to common property or land vested in a community corporation under the Community Titles Act 1996 over which the public has a free and unrestricted right of access and enjoyment
- 12. where the rebate is considered by the Council to be appropriate to provide relief against what would otherwise amount to a substantial change in rates payable due to:
 - a redistribution of the rates burden within the community arising from a change to the basis or structure of the council's rates
 - a change to the basis on which land is valued for the purpose of rating, rapid changes in valuations, or anomalies in valuations.
- 13. where the rebate is considered by the Council to be appropriate to provide relief in order to avoid what would otherwise constitute:
 - a liability to pay a rate or charge that is inconsistent with the liabilities that were anticipated by the Council in its Annual Business Plan
 - a liability that is unfair or unreasonable.
- 14. where the rebate is to give effect to a review of a decision of the Council under Chapter 13 Part 2 of the Act (Internal Review of council actions).



Council policy

15. where the rebate is contemplated under another provision of this Act.

Council may grant a rebate of rates up to and including 100% of the relevant rates or service charges. Council may grant a rebate for a period exceeding one year, but not exceeding 10 years in respect of those cases identified at 5.3(1), 5.3(2) or 5.3(11) above.

Council has an absolute discretion:

- to grant a rebate of rates or service charges in the above cases
- to determine the amount of any such rebate.

Persons or bodies who seek a discretionary rebate will be required to submit an application form to council and provide such information as stipulated on the application form and any other information that the Council may reasonably require.

5.3.1 Rate capping

In developing rating policy for 2004–05 Council undertook a major review in full consultation with the community that resulted in structural change. The review was required to address the impact of significant valuation movements on rates paid, particularly the effect on the residential sector, which created hardship in many instances. Council identified the most appropriate mechanism to deal with this issue is to apply a rate 'cap' under the discretionary rebate provisions of Section 166(1)(I) of the Act. Rate capping has been applied since the 2004–05 rating year.

For the 2017-18 year, Council has determined that the maximum general rates payable on residential properties will be the amount payable for 2016-17 plus 10% of that amount (noting that the amount payable includes this capping rebate but excludes any other concession or relief), subject to specific criteria.

A cap will not be applied where the rate increase is as a result of an increase in valuation recognising significant capital improvements on the property (regardless of when the development was undertaken) or where there has been a change in the land use or ownership or licence to occupy since the commencement of the previous financial year. Council rebates or remissions are not included in the capping calculation process.

The rate cap will be applied automatically to properties that can be readily identified as being eligible. Where this rebate is not applied automatically, ratepayers who consider they could be eligible for the Rate Cap Rebate may lodge an application form which will be assessed against the eligibility criteria.

The application must be lodged by 30 June 2018. A copy of the Residential rate capping application appears at attachment 2.

5.3.2 CWMS rebates

In developing rating policy for the 2017–18 year, Council has determined that a rebate be applied to properties subject to Community Wastewater Management Systems (CWMS) Service charges. This rebate is to assist with the transition to the Essential Services Commission of SA (ESCOSA) full cost recovery pricing requirements.



Council policy

CWMS service charge rebates will be applied where funds available within Council's CWMS Reserve are in excess of funds forecast to be required in order to manage CWMS in a financially sustainable manner. The level of service charge rebate applicable (if any) for a financial year will be approved by Council as part of the budget process for that year.

5.4 Applications

Council will inform the community of the provisions for rate rebates under the Act by the inclusion of suitable details in the Rating policy summary distributed with the annual rate notice.

Persons or bodies who seek a rebate of rates (and/or service charges) either:

- pursuant to Section 159(4) of the Act and Clause 5.1 of this policy
- pursuant to Section 166 of the Act and Clause 5.2 of this policy

must make written application to council pursuant to Section 159(1) of the Act in the manner and form determined by the Council and supply information as the Council may reasonably require.

Two application forms have been developed for the convenience of ratepayers:

- Rate rebate application attachment 1 (designed for general rebate applications)
- Residential rate capping application attachment 2.

Both application forms are available from council's website www.onkaparingacity.com or may be obtained from council offices located at:

- Noarlunga Office, Ramsay Place, Noarlunga Centre
- Aberfoyle Park Office, The Hub, Aberfoyle Park
- Willunga Office, St Peter's Terrace, Willunga
- Woodcroft Community Centre, 175 Bains Rd, Morphett Vale.

In considering applications for rebates Council may take into account matters considered relevant by Council including but not limited to the following:

- the community need that is being met by activities carried out on the land for which the rebate is sought
- the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons
- why there is a need for financial assistance through a rebate
- the level of rebate (percentage and dollar amount) being sought and why it is appropriate
- the extent of financial assistance, if any, being provided to the applicant and/or in respect of the land by Commonwealth or State agencies
- whether the applicant has made/intends to make applications to another Council
- whether, and if so to what extent, the applicant is or will be providing a service within the Council area



Council policy

- whether the applicant is a public sector body, a private not for profit body or a private for profit body
- whether there are any relevant historical considerations that may be relevant for all or any part of the current Council term
- the desirability of granting a rebate for more than one year in those circumstances identified at Clause 5.2 of this policy
- consideration of the full financial consequences of the rebate for Council
- the time the application is received
- the availability of any community grant to the person or body making the application
- whether the applicant is in receipt of a community grant
- any other matters and policies of Council, which are considered to be relevant.

All persons or bodies that wish to apply to Council for a rebate of rates excluding a Residential rate cap must do so within 60 days of receipt of the annual rate notice. Council reserves the right to refuse to consider applications received after that date. However applicants who satisfy the criteria for a mandatory rebate will be granted the rebate at any time provided the application is lodged prior to 30 June 2018 and provided the entitlement to the rebate existed at 1 July 2017.

All persons or bodies that wish to apply to Council for a Residential Rate Cap Rebate are encouraged to do so as soon as possible after receipt of the annual rate notice. Early receipt of applications will assist to streamline the rebate process and reduce the quarterly payment amounts due. Applicants who satisfy the criteria for a Residential rate cap rebate will be granted the rebate provided the application is lodged prior to 30 June 2018.

The Act provides that Council may grant a rebate of rates or charges on such conditions as Council thinks fit in relation to discretionary rebates listed at Clause 5.3 of this policy.

Council delegates the authority to grant a Residential rate cap rebate under Section 166(1)(I) of the Act to the Chief Executive Officer.

Council may, for proper cause, determine that an entitlement to a rebate of rates under the Act no longer applies. Where an entitlement to a rebate of rates ceases or no longer applies during the course of a financial year Council is entitled to recover rates or rates at the increased level (as the case may be) proportionate to the remaining part of the financial year.

It is an offence for a person or body to make a false or misleading statement or representation in an application or to provide false or misleading information or evidence in support of an application made (or purporting to be made) under the Act. The maximum penalty for this offence is \$5,000.

If a person or body has the benefit of a rebate of rates and the grounds on which the rebate has been granted cease to exist the person or body must immediately inform Council of that fact and (whether or not Council is so informed) the entitlement to a rebate ceases. If a person or body fails to do so that person or body is guilty of an offence. The maximum penalty for this offence is \$5,000.



Council policy

Council will advise rebate applicants of its determination in relation to each application in writing.

5.5 Review

A person or body that is aggrieved by a determination of Council in respect of an application for a rebate may seek a review of that by written application to Council within 21 days of the date of which the notice of determination is given pursuant to Clause 5.3 of this policy.

5.6 Availability of policy

This policy is available for inspection at council offices and also available on our website www.onkaparingacity.com Persons may also obtain a printed copy of this policy upon payment of the fee set by the Council.

6. Attachments

Attachment 1 – Rate rebate application

Attachment 2 – Residential rate capping application



Council policy

7. References and relevant legislation

Printed documents Council policy, Rating 2017-18

Norman Waterhouse and SA Local Government Financial Management

Group, 2001, Rate Rebate Policies.

Wallmans Lawyers and SA Local Government Financial Management

Group, February 2008, Rate Rebate Policies

Legislation Local Government Act, 1999

Health Commission Act 1976

Community Housing Providers National Law

Education Act 1972

Aged Care Act 1987 (Commonwealth)

Community Titles Act 1996

Websites www.onkaparingacity.com

Contact officer:	Director Finance and Commercial		
Approving authority:	Council		
Next review:	June 2018		
Timing of review:	Reviewed annually in June		
Starkers V	2017-18 policy - ECM Set No 4024965		
ECM number:	Attachment 1 — ECM Set No 4025027		
	Attachment 2 - ECM Set No 4025110		

City of Onkaparinga

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Item	Ratepayer	Property Address	Actual use	Section	Eligiblity	Appliation %	Total Rates	Rebate
1	Drug & Alcohol Service of South Australia	1/209 Main South Road MORPHETT VALE SA 5162	Health Service	160	Mandatory	100	\$3,500.49	-\$3,500.49
2	Drug & Alcohol Service of South Australia	3/209 Main South Road MORPHETT VALE SA 5162	Health Service	160	Mandatory	100	\$4,879.11	-\$4,879.1
3	Child & Adolescent Mental Health Service	2/209 Main South Road MORPHETT VALE SA 5162	Health Service	160	Mandatory	100	\$2,764.34	-\$2,764.3
4	Capdelco Pty Ltd	2/211-213 Main South Road MORPHETT VALE SA 5162	Health Service	160	Mandatory	100	\$4,516.17	-\$4,516.1
5	Children Youth & Womens Health Services	Unit 2/50-56 Beach Road CHRISTIES BEACH SA 5165	Health Service	160	Mandatory	100	\$3,127.74	-\$3,127.7
6	McLaren Vale & District War Memorial Hospital Inc	5-9 Aldersey Street MCLAREN VALE SA 5171	Hospital	160	Mandatory	100	\$17,731.58	-\$10,702.5
7	Jehovahs Witnesses Congregations	133-141 Port Road ALDINGA SA 5173	Religious Purpose	162	Mandatory	100	\$2,268.46	-\$2,268.4
8	Aberfoyle Park Christadelphian Ecclesia Inc	16 Manning Road ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$2,808.01	-\$2,808.0
9	Adelaide Revival Fellowship Inc	253-255 Pimpala Road WOODCROFT SA 5162	Religious Purpose	162	Mandatory	100	\$8,443.24	-\$8,443.2
10	Almond Grove Family Church Inc	32 Old Main South Road ALDINGA SA 5173	Religious Purpose	162	Mandatory	100	\$1,728.92	-\$1,728.9
11	Australasian Conference Association Ltd	130 Pimpala Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$5,245,94	-\$5,245,9
12	Baptist Churches of SA Inc	72 Manning Road ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$3,127.74	-\$3,127.7
13	Baptist Churches of SA Inc	13-15 Saltash Avenue CHRISTIES BEACH SA 5165	Religious Purpose	162	Mandatory	100	\$2,887.94	-\$2,887.9
14	Catholic Church Endowment Soc Happy Valley	16-24 Hay Street HAPPY VALLEY SA 5159	Religious Purpose	162	Mandatory	100	\$2,718.49	-\$2,718.4
15	Catholic Church Endowment Soc Happy Valley	16A-24 Hay Street HAPPY VALLEY SA 5159	Religious Purpose	162	Mandatory	100	\$866,41	-\$866,41
16	Catholic Church Endowment Soc Morph Vale	250-262 Main South Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$4,166.86	-\$4,166.8
17	Catholic Church Endowment Soc Noarl Ctr	1 Honeypot Road NOARLUNGA DOWNS SA 5168	Religious Purpose	162	Mandatory	100	\$2,967.87	-\$2,967.8

Item	Ratepayer	Property Address	Actual use	Section	Eligiblity	Appliation %	Total Rates	Rebate
18	Catholic Church Endowment Soc Willunga	Pt Allot 1 St Judes Street WILLUNGA SA 5172	Religious Purpose	162	Mandatory	100	\$3,852.79	-\$3,071.79
19	Catholic Church Endowment Society Incorporated	Pt Allot 1 Quinliven Road ALDINGA SA 5173	Religious Purpose	162	Mandatory	100	\$2,368.38	-\$2,368.38
20	Christian City Church South Coast Inc	5 Main South Road O'HALLORAN HILL SA 5158	Religious Purpose	162	Mandatory	100	\$5,245.94	-\$5,245.94
21	Church of Jesus Christ Latter Day Saints	258 Beach Road HACKHAM WEST SA 5163	Religious Purpose	162	Mandatory	100	\$6,045.26	-\$6,045,2
22	Churches of Christ In SA & NT Inc	179 Hub Drive ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$3,567.36	-\$3,567.3
23	Churches of Christ Noarlunga Centre	165 Beach Road CHRISTIE DOWNS SA 5164	Řeligious Purpose	162	Mandatory	100	\$3,687.27	-\$3,687.2
24	Coast and Vines Church Inc	1/12-14 Aldinga Road WILLUNGA SA 5172	Religious Purpose	162	Mandatory	100	\$2,590.65	-\$1,809.6
25	Coptic Orthodox Church (Victoria) Property Trust	Allot 1 Sec 23 Melsetter Road HUNTFIELD HEIGHTS SA 5163	Religious Purpose	162	Mandatory	100	\$3,127.74	-\$3,127.7
26	Coromandel Baptist Church Incorporated	268C Ackland Hill Road COROMANDEL EAST SA 5157	Religious Purpose	162	Mandatory	100	\$2,648.14	-\$2,648.1
27	Diocese of The Murray	15 St Ninians Road CLARENDÓN SA 5157	Religious Purpose	162	Mandatory	100	\$2,070.29	-\$1,289.2
28	Ecumenical Endeavours Pty Ltd	Állot 1077 Sec 342 Grand Boulevard SEÁFORD SÁ 5169	Religious Purpose	162	Mandatory	100	\$13,439.02	-\$13,439.0
29	Edge Church International	3/253-255 Old South Road OLD REYNELLA SA 5161	Religious Purpose	162	Mandatory	100	\$9,148.53	-\$9,148.5
30	Gateway Community Church Inc	70-74 Pimpala Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$6,145,19	-\$6,145.1
31	Greek Orthodox Archdiocese Aust and	2 Morton Road CHRISTIE DOWNS SA 5164	Religious Purpose	162	Mandatory	100	\$2,927.90	-\$2,927.9
32	Hackham Baptist Family Church Inc	86-88 Penneys Hill Road HACKHAM SA 5163	Religious Purpose	162	Mandatory	100	\$3,007.83	-\$3,007.8
33	Happy Valley Baptist Church Inc	Allot 17 Sec 518 Candy Road HAPPY VALLEY SA 5159	Religious Purpose	162	Mandatory	100	\$1,688.95	-\$1,688.9
34	Harvest Australia Church Incorporated	Allot 21 Sec 612 States Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$6,744.67	-\$6,744.6

ltem	Ratepayer	Property Address	Attual use	Section	Eligiblity	Appliation %	Total Rates	Rebate
35	Impact International Christian Centre	104A Pimpala Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$2,808.01	-\$2,808.01
36	Jehovahs Witnesses Congregations	102 Fraser Avenue HAPPY VALLEY SA 5159	Religious Purpose	162	Mandatory	100	\$2,847.98	-\$2,847.98
37	Jehovahs Witnesses Congregations	1/320 Beach Road HACKHAM WEST SA 5163	Religious Purpose	162	Mandatory	100	\$5,150.50	-\$5,150.5
38	Living Church of God Ltd	63 Grants Gully Road CLARENDON SA 5157	Religious Purpose	162	Mandatory	100	\$3,709.65	-\$2,928.6
39	Living Church of God Ltd	61 Grants Gully Road CLARENDON SA 5157	Religious Purpose	162	Mandatory	100	\$2,829.64	-\$2,048.6
40	Lutheran Church of Aust McLaren Vale	Allot 829 Aldersey Street MCLAREN VALE SA 5171	Religious Purpose	162	Mandatory	100	\$3,229.32	-\$2,448.3
41	Lutheran Church of Aust SA District	32 Taylors Road ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$5,545.69	-\$5,545.6
42	Lutheran Church of Aust SA District	265 Beach Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$2,335.20	-\$2,335.2
43	Mr A K Grace and Mr T H Tunley and Mr J C Gooden	1 Romney Road HAPPY VALLEY SA 5159	Religious Purpose	162	Mandatory	100	\$2,288.45	-\$2,288.4
44	Mr B A Hornsey and Mr D M Craig and Mr C N Collins	Allot 77 Sec 279 Sunnymeade Drive ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$2,248,48	-\$2,248.4
45	Mr B A Hornsey and Mr D M Craig and Mr C N Collins	46 Skyline Drive FLAGSTAFF HILL SA 5159	Religious Purpose	162	Mandatory	100	\$2,808.01	-\$2,808.0
46	Mr C J Wright and Mr K G Seeley and Mr A D Carman	1/33 Education Road HAPPY VALLEY SA 5159	Religious Purpose	162	Mandatory	100	\$8,102.53	-\$8,102.5
47	Mr T H Tunley and Mr J C Gooden and Mr A K Grace	152 Black Road FLAGSTAFF HILL SA 5159	Religious Purpose	162	Mandatory	100	\$2,308.43	-\$2,308.4
48	New Apostolic Church	31 Olympia Crescent HACKHAM WEST SA 5163	Religious Purpose	162	Mandatory	100	\$2,208.51	-\$2,208.5
49	New Life Christian Centre Inc	12-14 Kerry Street CHRISTIES BEACH SA 5165	Religious Purpose	162	Mandatory	100	\$2,348.39	-\$2,348.3
50	Noarlunga Christian Centre Incorporated	Pce 12 Brodie Road HUNTFIELD HEIGHTS SA 5163	Religious Purpose	162	Mandatory	100	\$1,085.46	-\$1,085.4
51	Noarlunga Uniting Church	28-30 Hillier Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$3,447.45	-\$3,447.4

Item	Ratepayer	Property Address	Actual use	Section	Eligiblity	Appliation %	Total Rates	Rebate
52	Parish of The Nativity	Allot 103 Sec 277 Sunnymeade Drive ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$5,545.69	-\$5,545.69
53	Southern Life Management Association Inc	Allot 1 Sec 5 Milan Crescent HACKHAM WEST SA 5163	Religious Purpose	162	Mandatory	100	\$3,967.02	-\$3,967.02
54	Southern Vales Christadelphian Ecclesia Inc	100-104 Melsetter Road HUNTFIELD HEIGHTS SA 5163	Religious Purpose	162	Mandatory	100	\$2,028.67	-\$2,028.67
55	Synod Diocese Murray Anglican Church Inc	7 Stonehouse Lane ALDINGA SA 5173	Religious Purpose	162	Mandatory	100	\$1,329.26	-\$1,329.26
56	Synod Diocese Murray Anglican Church Inc	1/99 Main Road MCLAREN VALE SA 5171	Religious Purpose	162	Mandatory	100	\$4,977.83	-\$4,196.83
51	Synod Diocese Murray Anglican Church Inc	10 St Andrews Terrace WILLUNGA SA 5172	Religious Purpose	162	Mandatory	100	\$2,150.22	-\$1,369.22
58	Synod Diocese Murray Anglican Church Inc	12-14 Homestead Drive ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$2,168.55	-\$2,168.55
59	Synod Diocese Murray Anglican Church Inc	1 High Street MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$2,528.24	-\$2,528.24
60	Synod Diocese Murray Anglican Church Inc	1 William Street MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$1,728.92	-\$1,728.92
61	Synud Diocese Murray Anglican Church Inc	3 William Street MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$1,162.04	-\$1,162.04
62	Synod Diocese Murray Anglican Church Inc	30 Church Hill Road OLD NOARLUNGA SA 5168	Religious Purpose	162	Mandatory	100	\$2,148.57	-\$2,148.57
63	Synod Diocese Murray Anglican Church Inc	26 O'Halloran Road CHRISTIES BEACH SA 5165	Religious Purpose	162	Mandatory	100	\$3,527.40	-\$3,527.40
64	The Centre Trust Inc	38-44 Jagger CrescentWOODCROFT SA 5162	Religious Purpose	162	Mandatory	100	\$3,931.86	-\$3,931.86
65	The Salvation Army (SA) Property Trust	186-188 Elizabeth Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$3,087.77	-\$3,087.77
66	The Uniting Church In Australia Property Trust SA	2 Old Coach Road ALDINGA SA 5173	Religious Purpose	162	Mandatory	100	\$2,967,87	-\$2,967.8
67	The Uniting Church In Australia Property Trust SA	255 Main Road MCLAREN VALE SA 5171	Religious Purpose	162	Mandatory	100	\$3,868.77	-\$3,087.77
68	The Uniting Church In Australia Property Trust SA	415-417 Main Road COROMANDEL VALLEY SA 5051	Religious Purpose	162	Mandatory	100	\$6,245.10	-\$6,245.10

ltem	Ratepayer	Property Address	Actual use	Section	Eligiblity	Appliation %	Total Rates	Rebate
69	The Uniting Church In Australia Property Trust SA	50-52 Grants Gully Road CLARENDON SA 5157	Religious Purpose	162	Mandatory	100	\$2,469.95	-\$1,688.95
70	The Uniting Church In Australia Property Trust SA	50 Malpas Street OLD NOARLUNGA SA 5168	Réligious Purpose	162	Mandatory	100	\$1,409.19	-\$1,409.19
71	The Uniting Church In Australia Property Trust SA	23 William Road CHRISTIES BEACH SA 5165	Religious Purpose	162	Mandatory	100	\$2,927.90	-\$2,927.90
72	United Pentecostal Church of SA Inc	8 Colorado Court MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$3,367.53	-\$3,367.5
73	Uniting Church in Aust Aberfoyle Park	42-46 Sunnymeade Drive ABERFOYLE PARK SA 5159	Religious Purpose	162	Mandatory	100	\$6,744,67	-\$6,744.6
74	Uniting Church In Aust Cherry Gardens	87 Hicks Hill Road CHERRY GARDENS SA 5157	Religious Purpose	162	Mandatory	100	\$1,065.48	-\$1,065.4
75	Uniting Church in Aust Christies Beach	58-62 Ramsgate Avenue CHRISTIES BEACH SA 5165	Religious Purpose	162	Mandatory	100	\$2,545.59	-\$2,545.5
76	Uniting Church in Aust Kangarilla	1 McLaren Flat Road KANGARILLA SA 5157	Religious Purpose	162	Mandatory	100	\$1,509.10	-\$1,509.1
77	Uniting Church In Aust Willunga	Allot 187 Sec 258 St Andrews Terrace WILLUNGA SA 5172	Religious Purpose	162	Mandatory	100	\$3,209.33	-\$2,428.3
78	Woodcroft Christian Centre Incorporated	444 States Road MORPHETT VALE SA 5162	Religious Purpose	162	Mandatory	100	\$3,954.40	-\$3,954.4
79	Adelaide Mosque Islamic Society of SA Inc	Pt Allot 21 Martins Road MCLAREN VALE SA 5171	Cemeteries	163	Mandatory	100	\$836.91	-\$836.91
80	Catholic Church Endowment Soc Willunga	1-7 St Marys Street WILLUNGA SA 5172	Cemeteries	163	Mandatory	100	\$1,309.28	-\$1,309.2
81	City of Onkaparinga	Allot 16 Chandlers Hill Road HAPPY VALLEY SA 5159	Cemeteries	163	Mandatory	100	\$661.82	-\$661.82
82	Coromandel Valley Cemetery Trust Incorporated	Allot 47 Sec 1101 Avondale Road COROMANDEL VALLEY SA 5051	Cemeteries	163	Mandatory	100	\$1,049.50	-\$1,049.5
83	Methodist Church SA Property Trust	28 Ingoldby Road MCLAREN FLAT SA 5171	Cemeteries	163	Mandatory	100	\$1,662.64	-\$881.64
84	Synod Diocese Murray Anglican Church Inc	Allot 411 Sec 245 Aldinga Road WILLUNGA SA 5172	Cemèteries	163	Mandatory	100	\$845.66	-\$845.66
85	The Uniting Church in Australia Property Trust SA	Allot 20 Sellicks Beach Road SELLICKS BEACH SA 5174	Cemeteries	163	Mandatory	100	\$785.72	-\$785.72

Mandatory 100% Rate Rebates

Item	Ratepayer	Property Address	Actual use	Section	Eligiblity	Appliation %	Total Rates	Rebate
86	The Uniting Church In Australia Property Trust SA	6 Tatachilla Road MCLAREN VALE SA 5171	Cemeteries	163	Mandatory	100	\$961,56	-\$961.56
87	The Uniting Church In Australia Property Trust SA	257-261 Main Road MCLAREN VALE SA 5171	Cemeteries	163	Mandatory	100	\$869.65	-\$869.65
88	The Uniting Church In Australia Property Trust SA	26-34 Seaford Road OLD NOARLUNGA SA 5168	Cemeteries	163	Mandatory	100	\$805.69	-\$805,69
89	Trustee Cemetery	Allot 3 Sec 612 States Road MORPHETT VALE SA 5162	Čemeteries	163	Mandatory	100	\$489.97	-\$489.97
90	Uniting Church In Aust Kangarilla	36 McLaren Flat Road KANGARILLA SA 5157	Cerneteries	163	Mandatory	100	\$1,033.51	-\$1,033.51
91	Uniting Church In Aust Willunga	Allot 122 Sec 446 Binney Road MCLAREN VALE SA 5171	Cemeteries	163	Mandatory	100	\$841.67	-\$841.67
92	Uniting Church in Aust Willunga	35-37 St Andrews Terrace WILLUNGA SA 5172	Çemeteries	163	Mandatory	100	\$1,349.23	-\$1,349.23
tal 10	0% Mandatory Rebates							-\$287,025.66

No New Applications for 2017-18

tem	Ratepayer	Property Address	Actual Use	Section	Eligibility	Appliation %	Total Rates	Rebate
1.	Bedford Industries Inc	13 Bredbo Street LONSDALE SA 5160	Community Service Organisation	161.4.C	Mandatory	75	\$ 2,928.65	-\$2,196.49
2	Junction and Women's Housing Ltd	34 Beach Road CHRISTIES BEACH SA 5165	Community Service Organisation	161.4.C	Mandatory	75	\$ 4,956.63	-\$3,717.47
3	Meals On Wheels Incorporated	44 Vincent Street CHRISTIES BEACH SA 5165	Community Service Organisation	161,4,C	Mandatory	75.	\$ 1,908.76	-\$1,431.57
4	Minister for Disabilities	1/98 Beach Road CHRISTIES BEACH SA 5165	Community Service Organisation	161,4,C	Mandatory	75	\$ 3,379,31	-\$2,534,49
5	Minister for Health and Ageing	64 Elgin Avenue CHRISTIES BEACH SA 5165	Community Service Organisation	161.4.C	Mandatory	75	\$ 1,734.39	-\$1,300.80
6	Noarlunga Christian Centre Incorporated	Pt Pce 12 Brodie Road HUNTFIELD HEIGHTS SA 5163	Community Service Organisation	161,4.C	Mandatory	75	\$ 2,268.46	-\$1,701,35
7	Offenders Aid & Rehabilitation Services	2/87 Dyson Road CHRISTIES BEACH SA 5165	Community Service Organisation	161.4.C	Mandatory	75.	5 1,860.01	-\$1,395.01
8	Southern Community Justice Centre	1/40 Beach Road CHRISTIES BEACH SA 5165	Community Service Organisation	161.4.C	Mandatory	75	\$ 2,703.32	-\$2,027.50
9	Uniting Communities	38 Beach Road CHRISTIES BEACH SA 5165	Community Service Organisation	161.4.C	Mandatory	75	\$ 5,294.63	-\$3,970.97
10	Erwin Vogt Foundation Inc	8 Cocking Road CHRISTIES BEACH SA 5165	Community Service Organisation	161.4.C	Mandatory	75	\$ 1,632.81	-\$1,224.61
11	James Brown Memorial Trust	2/54 Woodcroft Drive MORPHETT VALE SA 5162	Community Service Organisation	161.4.C	Mandatory	75	\$ 1,780.66	-\$1,335.50
12	Adelaide Benevolent & Strangers Friend Society Inc	Unit 1/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 701.74	-\$526.31
13	Adelaide Benevolent & Strangers Friend Society Inc	Unit 2/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75.	\$ 827.62	-\$620.72
14	Adelaide Benevolent & Strangers Friend Society Inc	Unit 3/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4,C	Mandatory	75	\$ 827.62	-\$620.72
15	Adelaide Benevolent & Strangers Friend Society Inc	Unit 4/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 827.62	-\$620.72
16	Adelaide Benevolent & Strangers Friend Society Inc	Unit 5/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 827.62	-\$620.72
17	Adelaide Benevolent & Strangers Friend Society Inc	Unit 6/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 701.74	-\$526.31
18	Adelaide Benevolent & Strangers Friend Society Inc	Unit 7/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 827.62	-\$620.72
19	Adelaide Benevolent & Strangers Friend Society Inc	Unit 8/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 701.74	-\$526.31
20	Adelaide Benevolent & Strangers Friend Society Inc.	Unit 9/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4,C	Mandatory	75	\$ 701.74	-\$526.31
21	Adelaide Benevolent & Strangers Friend Society Inc	Unit 10/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75.	\$ 827.62	-\$620.72

Item	Ratepayer	Property Address	Actual Use	Section	Eligibility	Appliation %	Total Rates	Rebate
22	Adelaide Benevalent & Strangers Friend Society Inc	Unit 11/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 827.62	-\$620.72
23	Adelaide Benevolent & Strangers Friend Society Inc	Unit 12/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	5 827.62	-\$620,72
24	Adelaide Benevolent & Strangers Friend Society Inc	Unit 13/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 651.40	-\$488.55
25	Adelaide Benevalent & Strangers Friend Society Inc	Unit 14/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 626.23	-\$469.68
26	Adelaide Benevolent & Strangers Friend Society Inc	Unit 15/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4,C	Mandatory	75	5 626.23	-\$469.68
27	Adelaide Benevolent & Strangers Friend Society Inc	Unit 16/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	\$ 651.40	-\$488.55
28	Adelaide Benevolent & Strangers Friend Society Inc	Unit 17/15 Shearwater Place NOARLUNGA DOWNS SA 5168	Emergency Accommodation	161.4.C	Mandatory	75	5 701.74	-\$526.31
29	Adelaide Benevolent & Strangers Friend Society Inc	28 Valleyview Crescent HACKHAM WEST SA 5163	Emergency Accommodation	161.4.C	Mandatory	75	5 1,584.86	-\$1,188.65
30	Aged Care and Housing Group Inc	84 Valley View Drive MCLAREN VALE SA 5171	Supported Accommodation	161,4,C	Mandatory	75	\$ 33,615.21	-\$11,153.41
31	Aged Care and Housing Group Inc	24-30 River Road PORT NOARLUNGA SA 5167	Supported Accommodation	161.4.C	Mandatory	75	\$ 28,102.15	-\$21,076.62
32	Christadelphian Care Services SA Inc	1-3 Happy Valley Drive HAPPY VALLEY SA 5159	Supported Accommodation	161,4.C	Mandatory	75	\$ 20,509.79	-\$15,382.34
33	Churches of Christ Life Care Inc	6 Pridham Boulevard ALDINGA BEACH SA 5173	Supported Accommodation	161.4.C	Mandatory	75	\$ 34,335.87	-\$25,751.91
34	Churches of Christ Life Care Inc	280 Old South Road OLD REYNELLA SA 5161	Supported Accommodation	161.4.C	Mandatory	75	\$ 14,515.83	-\$10,886.87
35	Eldercare Inc	100 Seaford Road SEAFORD SA 5169	Supported Accommodation	161,4,C	Mandatory	75	\$ 23,306.98	-\$17,480.24
36	Eldercare Inc	150-152 Reynell Road WOODCROFT SA 5162	Supported Accommodation	161.4.C	Mandatory	75	\$ 26,024.24	-\$19,518.18
37	Greek Orthodox Archdiocese Aust	10 Morton Road CHRISTIE DOWNS SA 5164	Supported Accommodation	161.4.C	Mandatory	75	\$ 29,460.78	-\$22,095.58
38	James Brown Memorial Trust	1/54 Woodcroft Drive MORPHETT VALE SA 5162	Supported Accommodation	161.4.C	Mandatory	75	\$ 23,585.92	-\$17,689.44
39	James Brown Memorial Trust	19 Aldersey Street MCLAREN VALE SA 5171	Supported Accommodation	161.4.C	Mandatory	75	\$ 18,747.65	-\$8,788.99
40	Minda Inc	36 Education Road HAPPY VALLEY SA 5159	Supported Accommodation	161.4.C	Mandatory	75	\$ 2,048.40	-\$1,536.31
41	Minda Inc	1/10 Walnut Street OLD REYNELLA SA 5161	Supported Accommodation	161,4,C	Mandatory	75	5 1,488.96	-\$1,116.72
42	Minda Inc	2/10 Walnut Street OLD REYNELLA SA 5161	Supported Accommodation	161.4.C	Mandatory	75	\$ 1,488.96	-\$1,116.72

Item	Ratepayer	Property Address	Actual Use	Section	Eligibility	Appliation %	Total Rates	Rebate
43	Minda Inc	148 Hillier Road REYNELLA SA 5161	Supported Accommodation	161.4.C	Mandatory	75	\$ 1,856.58	-\$1,392.43
44	Minda Inc	146 Hillier Road REYNELLA SA 5161	Supported Accommodation	161.4.C	Mandatory	75	\$ 1,856.58	-\$1,392.43
45	Minda Inc	4/1 Walnut Street OLD REYNELLA SA 5161	Supported Accommodation	161.4.C	Mandatory	75	\$ 1,712.73	-\$1,284.55
46	Minister for Disabilities	4-6 Tina Way MORPHETT VALE SA 5162	Supported Accommodation	161.4.C	Mandatory	75	\$ 2,112.33	-\$1,584.25
47	Southern Cross Care (SA & NT) Inc	28 Liddell Drive HUNTFIELD HEIGHTS SA 5163	Supported Accommodation	161.4.C	Mandatory	75	5 23,147.14	-\$17,360.36
48	Australasian Conference Association Ltd	140 Pimpala Road MORPHETT VALE SA 5162	Private Primary School	165.1.B	Mandatory	75	\$ 33,422.12	-\$25,066.59
49	Calvary Lutheran Primary School Inc	265 Beach Road MORPHETT VALE SA 5162	Private Primary School	165,1,B	Mandatory	75	\$ 11,540.63	-\$8,655.48
50	Catholic Church Endowment Soc Morph Vale	14-16 Bains Road MORPHETT VALE SA 5162	Private Primary School	165.1.B	Mandatory	75	\$ 20,433.10	-\$15,324.82
51	Catholic Church Endowment Soc Pt Noarlunga	621-631 Grand Boulevard SEAFORD SA 5169	Private Primary School	165.1.B	Mandatory	75	\$ 14,238.34	-\$10,678.76
52	Catholic Church Endowment Society Incorporated	Pt Allot 1 Quinliven Road ALDINGA SA 5173	Private Primary School	165,1.B	Mandatory	75	\$ 12,439.86	-\$9,329.90
53	Emmaus Catholic School and	236-246 Pimpala Road WOODCROFT SA 5162	Private Primary School	165.1.B	Mandatory	75	\$ 15,337.41	-\$11,503.06
54	Lutheran Church of Aust Aberfoyle Park	28-30 Taylors Road ABERFOYLE PARK SA 5159	Private Primary School	165.1.8	Mandatory	75	\$ 11,740.45	-\$8,805.34
55	SAET Property Holdings Pty Ltd	Allot 40 Park Avenue ABERFOYLE PARK SA 5159	Private Primary School	165.1.B	Mandatory	75	\$ 20,233.26	-\$15,174.95
56	School of Nativity Primary School	26 Sunnymeade Drive ABERFOYLE PARK SA 5159	Private Primary School	165.1.B	Mandatory	75 + 25	\$ 5,146.03	-\$5,146.03
57	Southern Montessori Education Centre	53 Galloway Road O'SULLIVAN BEACH SA 5166	Private Primary School	165.1.B	Mandatory	75	\$ 8,043.58	-\$6,032.69
58	Southern Vales Christian College Inc	240-258 Aldinga Beach Road ALDINGA BEACH SA 5173	Private Primary School	165,1.B	Mandatory	75	\$ 9,442.40	-\$7,081.80
59	Southern Vales Christian College Inc	140 States Road MORPHETT VALE SA 5162	Private Primary School	165.1.B	Mandatory	75	\$ 18,534.71	-\$13,901.03
60	St John The Apostle Catholic Parish School	14 Winnerah Road CHRISTIES BEACH SA 5165	Private Primary School	165.1.B	Mandatory	75	\$ 7,444.08	-\$5,583.06
61	Sunrise Christian School	70-74 Pimpala Road MORPHETT VALE SA 5162	Private Primary School	165.1.B	Mandatory	75	\$ 6,944.51	-\$5,208.38
62	Willunga Waldorf School	Allot 409 Sec 246 Aldinga Road WILLUNGA SA 5172	Private Primary School	165.1.B	Mandatory	75	\$ 2,847.98	-\$2,135.98
63	Willunga Waldorf School	1A Jay Drive WILLUNGA SA 5172	Private Primary School	165.1.8	Mandatory	75	\$ 3,932.90	-\$1,192.43

Mandatory 75% Rate Rebates

ltem	Ratepayer	Property Address	Actual Use	Section	Eligibility	Appliation %	Total Rates	Rebate
64	Willunga Waldorf School and	1 Jay Drive WILLUNGA SA 5172	Private Primary School	165.1.B	Mandatory	75	\$ 10,168.42	-\$5,283.32
65	Cardijn College	5 Honeypot Road NOARLUNGA DOWNS SA 5168	Private Secondary School	165.1.B	Mandatory	75	\$ 27,826.84	-\$20,870.13
66	Catholic Church Endowment Society Incorporated	183 Beach Road CHRISTIE DOWNS SA 5164	Private Secondary School	165.1.8	Mandatory	75	\$ 20,033,44	-\$15,025.09
67	Tatachilla Lutheran College Assoc Inc	211 Tatachilla Road TATACHILLA SA 5171	Private Secondary School	165.1.B	Mandatory	75	\$ 39,516.97	-\$29,637.73
68	Woodcroft College Incorporated	143-173 Bains Road MORPHETT VALE SA 5162	Private Secondary School	165.1.B	Mandatory	75	\$ 37,518.65	-\$28,138.99
69	Woodcroft College Incorporated	Allot 12 Sec 613 Farnsworth Drive MORPHETT VALE SA 5162	Private Secondary School	165.1.B	Mandatory	75	\$ 1,979.99	-\$1,485.00
rotal (ongoing rebates					,	\$ 671,399.18	-\$481,406.09

Additio	onal applications for determination						Balar after rebat		
9	Uniting Communities	38 Beach Road CHRISTIES BEACH SA 5165	25% Discretional increase - Not Granted - Equity with other service providers	161.4,C	75% Mandatory seeking 25% Discretionary increase	25	\$	1,323.66	\$
10	Erwin Vogt Foundation Inc	8 Cocking Road CHRISTIES BEACH SA 5165	25% Discretional increase - Not Granted - Equity with other service providers	161.4.C	75% Mandatory seeking 25% Discretionary increase	25	\$	408,20	\$

Item Number	Ratepayer	Number of Properties	Actual Use	Section	Eligibility	Application %	Total Rates	Rebate
1	Access 2 Place Ltd	15	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 20,192.45	-\$ 15,144.40
2	Accessible Housing Association Incorporated	62	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 83,396.05	-\$ 62,547.16
3	Anglicare SA Housing Association	31	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 43,104.60	-\$ 32,328.5
4	Common Equity Housing SA Ltd	13	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 17,038.72	-\$ 12,779.04
5	Cornerstone Housing Limited	63	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 76,352.87	-\$ 57,264.88
6	Developing Alternative Solutions To Housing	2	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 3,199.48	-\$ 1,813.80
7	Julia Farr Housing Association Inc	ġ	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 12,761.21	-\$ 9,570.90
8	Junction and Women's Housing Ltd	318	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 396,384.55	-\$ 293,774.7
9	Salvation Army Housing Ltd	40	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 50,108.43	-\$ 37,581.4
10	The Frederic Ozanam Housing Association Inc	55	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 71,532.61	-\$ 53,063.89
11	Unity Housing Co Ltd	80	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 101,660.36	-\$ 75,073.94
12	Westside Housing Association Inc	13	Approved Community Housing Association	161(4)(c)(iii)	Mandatory	75	\$ 16,399.36	-\$ 12,299.54
itals ongo	ing rebates	701	*	1			\$ 892,130.69	-\$663,242.22
tals all 75	% Housing Association Mandatory rebates					Totals	\$ 892,130.69	-\$ 663,242.22

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9.8 Rate Rebates 2017-18 - Discretionary

This report is information seeking Council direction.

Manager: Darren Styler, Manager Finance

Report Author: Joan Murrell, Team Leader Revenue

Contact Number: 8384 0530

Attachments: 1. Discretionary Rebates 2017–18 (3 pages)

2. Forest Place Lifestyle Village Submission (3 pages)

3. Legal Opinions Wallmans Lawyers (7 pages)

4. Rebate Guidelines Retirement Villages (4 pages)

1. Purpose

This report provides information on discretionary rate rebate applications and seeks Council approval of proposed rate rebates for 2017–18.

2. Recommendations

- That pursuant to the previous Council resolution of 17 December 2002, that United Utilities Australia Pty Ltd, now called Trility Pty Ltd, (item 1 of attachment 1 to the agenda report) be granted a 100% discretionary rate rebate for 2017-18 under Section 166(1)(b) of the Local Government Act 1999.
- 2. That the ongoing applications listed below and itemised in attachment 1 to the agenda report be granted a 100% rate rebate for 2017–18 under Section 166 of the *Local Government Act 1999*:
 - Noarlunga Leisure Centre (items 2 and 3) Sec 166(1)(b)(g)
 - Brentwood Drive Kindergarten (item 4) Sec 166(1)(d)(g)
 - Hackham West Children's Centre DECS (item 5) Sec 166(1)(d)(g)
 - Lutheran Church of Australia SA District (item 6)
 Sec 166(1)(d)(g)
 - Noarlunga Community Children's Centre Inc (item 7)
 Sec 166(1)(d)(g)
 - Studio 20 (formerly The Volt Aldinga Sellicks Youth Enterprise Centre (item 8) – Sec 166(1)(d)(g)
 - Girl Guides Australia Inc (Douglas Scrub item 9) Sec 166(1)(g)
 - Girl Guides Australia Inc (Hackham item 10) Sec 166(1)(g)
 - Scout Association of Australia (items 11 and 12) Sec 166(1)(g)
 - Blewitt Springs Community Hall and Progress Association Inc (item 13) – Sec 166(1)(j)
 - Clarendon Community Association Inc (item 14) Sec 166(1)(j)
 - Lions Club of Willunga Districts Inc (item 15) 166(1)(j)
 - Mr Gavin D F Malone (item 16) Sec 166(1)(c)

- 3. That the ongoing applications listed below and itemised in attachment 1 to the agenda report be granted a 75% rate rebate for 2017–18 under Section 166 of the *Local Government Act 1999*:
 - Onkaparinga Canoe Club Inc (items 17 and 18) Sec 166(1)(d)(g)
 - Autism Association of SA Inc (item 19) Sec 166(1)(h)
 - Unity Housing Co Ltd (items 20 to 24) Sec 166(1)(h)
 - Adelaide Benevolent & Strangers Friend Society Inc (items 25 to 36) – Sec 166(1)(h)
 - Willunga Environment Centre (item 37) Sec 166(1)(j) (excluding CWMS Service Charges)
- 4. That the ongoing applications listed below and itemised in attachment 1 to the agenda report be granted a 50% rate rebate for 2017–18 under Section 166 of the *Local Government Act 1999*:
 - Junction Womens Housing (item 38) –Sec 166(1)(j)
 - Naval Association of Australia (item 39) Sec 166(1)(j)
 - RSL McLaren Vale & Districts Sub-Branch (items 40 and 41) –
 Sec 166(1)(j)
 - RSL Morphett Vale Sub-Branch (item 42) Sec 166(1)(j)
 - RSL Port Noarlunga & Christies Beach (item 43) Sec 166(1)(j)
 - RSPCA (SA) Inc (item 44) Sec 166(1)(j)
 - Willunga Bowling Club Inc (item 45) Sec 166(1)(j)
 - Willunga Recreation Park Inc (item 46) Sec 166(1)(j)
- 5. That the application from Laura and Alfred West Cottage Homes Inc (item 47) for a 50% rate rebate under Section 166(1)(h) of the *Local Government Act 1999* not be granted for 2017-18 on the grounds of equity with similar providers.
- 6. That the application from Mr Brian March on behalf of the Forest Place Lifestyle Village residents (item 48) for a rate rebate not be granted for 2017–18 on the grounds of equity with other ratepayers.

3. Background

At its meeting on 4 July 2017 Council adopted the Rate Rebate Policy 2017–18 to assist in determining community eligibility for rate rebates in accordance with the requirements of the Local Government Act 1999 (the Act).

Section 5.3.6 of our Rating Policy 2017–18 includes:

Council has determined that rebates of rates will be granted when the applicant satisfies the requirements for mandatory rebates under Sections 159 to Section 165 of the Local Government Act 1999. Where applications for discretionary rebates are lodged under Section 166 of the Act, they will be considered under Council's Rate Rebate Policy and will be assessed against guidelines prepared by the Local Government Financial Management Group.

This report deals only with applications lodged under Section 166 of the Act which allows Council to grant discretionary rebates under certain criteria.

A separate report has been prepared for consideration of mandatory rate rebate applications (item 9.7 on tonight's agenda) and a copy of the Rate Rebate Policy 2017–18 is included as an attachment to that report.

Under Section 166 of the Act Council has no obligation to grant rebates, but rather the obligation to apply equity to similar applications and also to consider any social, political or environmental implications of granting or denying rebates. Council has a legal obligation not to make a 'blanket' decision on groups of applicants, but must consider each application on its own merit.

As detailed in attachment 1 to this report, discretionary rate rebate applications have been received from 48 applicants, including one retirement village (containing 250 Independent Living Units). Applications are grouped by percentage of rebate and similar property use and show the actual land use of the property. New applications for 2017–18 are grouped separately at the end of the table.

Prior to generating rates for 2017–18 any properties that were granted a rebate in 2016–17 were automatically allocated the same rebate code. When the Annual Rate Notice was issued for these properties, it was accompanied by a letter advising that the rebate shown was subject to application and approval (by Council) for the current year. A rate rebate application form for 2017–18 was also enclosed. Properties that were granted rebates previously were required to advise Council of any changes that had applied to the property in the last year.

Section 5 of our Rate Rebate Policy 2017-18 includes:

The Act is the principal legislative document that directs Council on the rebate of rates. The Act acknowledges that there are particular land uses that are economically disadvantaged and provide local community benefit and therefore must be offered rate relief in order to be sustainable. Further discretionary provisions allow for Council to determine whether other desirable land uses may be offered rate relief. In determining discretionary rebates primary consideration would be directed towards Council's strategic directions, budget considerations, the current economic climate and likely impacts on our communities.

4. Financial Implications

As the mandatory and discretionary rebates are presented to Council in separate reports the table below presents the combined total of all recommended rebates.

Total all rebates	Amount
Mandatory rebates	\$1,431,673.97
Discretionary rebates	\$73,728.30
Total rebates	\$1,505,402.27

The approved rebates budget for 2017–18 is sufficient to cover the recommended rebates.

5. Risk and Opportunity Management

Risk	Risk				
Identify	Mitigation				
Failure to comply with rate rebate requirements of the Act.	Discretionary rate rebate applications are assessed for eligibility and compliance with Section 166 of the Local Government Act 1999.				
Establishing rebate precedents without consideration to impacts of equity across community.	Assessment of new discretionary rebates includes consideration of equity impact of any precedent with other like properties or service providers. Council also considers the community capacity to sustain rebate expense given short and long term scenarios.				

Opportunity			
Identify	Maximising the opportunity		
To support individual ratepayers or organisations who bring benefit to our communities.	Ensuring all ratepayers are informed of ability to apply for discretional rebates by inclusion of rate rebate information on all rate notices, in line with best practice LGA Notice Templates.		

6. Additional information

Discretionary 100% Rebates – Ongoing

Council initiated rebate – Trility Pty Ltd – Section 159

A 100% mandatory rebate must be granted for the Council owned property at Allotment 16 Little Road, Willunga (item 1 of attachment 1) which is the wastewater treatment plant for the Willunga CWMS system. The contract in operation between United Utilities Australia, now called Trility Pty Ltd, and the City of Onkaparinga specifies that rates are not payable on this property. This contract was endorsed by Council at its meeting on 17 December 2002 but only became effective for rating purposes from 2004–05 for a period of 20 years.

Under Section 159 (3) of the Act Council has the power to grant this rebate of its own accord. The rebate is applied under Section 166 (1)(b) of the Act where the rebate is desirable for the purpose of assisting or supporting a business in its area. This rebate has been granted annually since 2004–05.

Section 166

It is recommended that the following ratepayer groups, pursuant to meeting criteria specified under Section 166 of the Act, be granted a discretionary rebate of 100%. Details of the properties subject to application and the reasons justifying a 100% rebate are detailed in attachment 1:

- Noarlunga Leisure Centre (items 2 and 3) Sec 166(1)(b)(g)
- Brentwood Drive Kindergarten (item 4) Sec 166(1)(d)(g)

- Hackham West Children's Centre DECS (item 5) Sec 166(1)(d)(g)
- Lutheran Church of Australia SA District (item 6) Sec 166(1)(d)(g)
- Noarlunga Community Children's Centre Inc (item 7) Sec 166(1)(d)(g)
- Studio 20 (formerly The Volt Aldinga Sellicks Youth Enterprise Centre (item 8) Sec 166(1)(d)(g)
- Guides South Australia Inc, Douglas Scrub (item 9) Sec 166(1)(g)
- Girl guides Australia Inc (Hackham item 10) Sec 166(1)(g)
- Scout Association of Australia (items 11 and 12) Sec 166(1)(g)
- Blewitt Springs Community Hall and Progress Association Inc (item 13)
 Sec 166(1)(j)
- Clarendon Community Association Inc (item 14) Sec 166(1)(j)
- Lions Club of Willunga Districts Inc (item 15) 166(1)(j)
- Mr Gavin D F Malone (item 16) Sec 166(1)(c)

All of the above properties received a 100% rebate for 2016–17.

Discretionary 75% Rebates - Ongoing

It is recommended that the following ratepayer groups who meet criteria specified under Section 166 of the Act be granted a discretionary rebate of 75%. In establishing a framework to assess discretionary applications in 2001–02, consideration was given to the criteria established under the mandatory rebate sections of the Act. Particular consideration was given to applicants who generally met the definition of a 'community service organisation' where the service provided did not quite meet the mandatory requirements but were eligible for consideration under the discretionary criteria. The groups listed below fit into this category. The reasons justifying a 75% rebate are detailed in attachment 1:

- Onkaparinga Canoe Club Inc (items 17 and 18) Sec 166(1)(d)(g)
- Autism Association of SA Inc (item 19) Sec 166(1)(h)
- Unity Housing Co Ltd (items 20 to 24) Sec 166(1)(h)
- Adelaide Benevolent & Strangers Friend Society Inc (items 25 to 36)
 Sec 166(1)(h)
- Willunga Environment Centre (item 37) Sec 166(1)(j)(excluding CWMS Service Charges)

All of the above properties received a 75% rebate for 2016–17.

Discretionary 50% Rebates - Ongoing

It is recommended that the following ratepayer groups meeting the criteria specified under Section 166 of the Act be granted a discretionary rebate of 50%. The reasons justifying a 50% rebate are detailed in attachment 1:

- Junction Womens Housing (item 38) –Sec 166(1)(j)
- Naval Association of Australia (item 39) Sec 166(1)(j)
- RSL McLaren Vale & Districts Sub-Branch (items 40 and 41) Sec 166(1)(j)

- RSL Morphett Vale Sub-Branch (item 42) Sec 166(1)(j)
- RSL Port Noarlunga & Christies Beach (item 43) Sec 166(1)(j)
- RSPCA (SA) Inc (item 44) Sec 166(1)(j)
- Willunga Bowling Club Inc (item 45) Sec 166(1)(j)
- Willunga Recreation Park Inc (item 46) Sec 166(1)(j)

All of these properties received a 50% rebate for 2016–17.

Additional Applications for 2017–18

In reviewing the additional discretionary rebate applications for 2017–18 (each on its own merit) consideration must be given to equity with similar applicants and creating any precedent or expectation for future years.

Laura and Alfred West Cottage Homes Inc – New Application (item 47)

A new rebate application has been received from Laura and Alfred West Cottage Homes Inc who provide accommodation for the aged and operate on a not for profit basis. The application requests a 50% discretionary rate rebate under Section 166(1)(h) 'where the land is being used to provide accommodation for the aged or disabled'.

Previous rate rebate applications were received from this group in 2010–11 and 2014–15. Each application was denied on the basis of equity with other service providers.

A review of this organisation and their eligibility for rebates was undertaken by Wallmans Lawyers in 2010–11. The review found that they appear to meet the definition of Community Service Organisation as a not for profit organisation, however their financial position identified that they operate a surplus budget indicating that they are charging fees in excess of the cost of their service provision.

This organisation is not a registered housing association and therefore not eligible for mandatory rebates. The organisation appears to function in a similar manner to other privately owned aged accommodation providers who have not been granted rebates in the past.

It is recommended that the rate rebate not be granted on the basis of equity with other service providers.

Mr Brian March on behalf of the residents at Forest Place Lifestyle Village – New Application (item 48)

At the public meeting held as part of the community engagement on the draft Annual Business Plan for 2017–18 a verbal submission was made by Mr Brian March on behalf of the Forest Place Lifestyle Village. A copy of this submission appears at attachment 2. Mr March was advised that his submission would be considered as part of the rate rebate application process for 2017–18.

The submission from Forest Place residents request consideration of a rebate on the basis the village runs on a self—funded basis. The residents pay rates on their individual units but also fund and maintain all their own roads, kerbing, gutters, pathways, street lighting, tree lopping and street sweeping. They seek

a rebate in **lieu of 'services not provided'**, **but afforded to other** ratepayers as part of their council rates.

Although the submission does not specify a rebate percentage, previous applications from Forest Place residents have requested a 25% discretionary rebate under Section 166(1)(h) 'where the land is being used to provide accommodation for the aged or disabled'.

Council has regularly received applications for rate rebates from various retirement villages under Section 166(1)(h) of the Act for land used to provide accommodation for the aged or disabled.

Prior Councils have not granted a rebate in each instance on the basis of equity with other ratepayers.

This subject was specifically included in the community engagement process for our Annual Business Plan for 2007–08 seeking community feedback. There were two council reports on this issue in April 2007 and June 2007 plus submissions were lodged during the engagement process. Further submissions and applications for rebates for retirement villages were also received in 2012–13 and 2014–15.

A significant amount of information on this topic has previously been presented to Council for consideration including a comprehensive legal response from Michael Kelledy, formerly with Wallmans Lawyers, addressing information specifically requested by Council and explaining the basis upon which Council should determine discretionary rebates. Copies of this information appears as attachment 3 to this report.

Under the guidelines set by former Councils, rebates were not granted under the discretionary provision of the Act. These guidelines and some history relating to these applications appears at attachment 4 to this report.

A table appears at the end of attachment 4 showing the cost of rebates for this and all retirement villages if rebated at 5% or 10%. A further table has been included showing potential costs of rebates for Community or Strata Titled properties which may also be similarly occupied.

While the residents within the village do fund the items specified it should be recognised that these expenses are for maintenance of and services provided to privately owned land. Often these villages are 'gated' communities or have restricted public access and residents have chosen this residential option for the benefits provided. The various common facilities within retirement villages are available for use by village residents but are restricted for public use.

In reviewing these applications Council has also previously considered comparisons with strata and community titled properties who also must contribute to the infrastructure and common facilities for all properties within the privately owned land contained within their strata or community plan.

In 2010–11 residents of retirement villages expressed concerns about the valuation of retirement village properties. They initiated a campaign to change the way their properties were valued and sought reductions in council rates to partially address their perception that council was 'double dipping' with council rates. To address their concerns the Valuer–General undertook a review of the valuation methodology used to assess the various land components within retirement villages with a view to determine best practice and consistency in the valuation process in South Australia. As a result the values of all community

facilities have now been absorbed into the value of each residence. All retirement villages within the City of Onkaparinga were reassessed using the updated valuation methodology in 2013–14 and 2014–15.

Whilst rebate applications from other villages have not been received, Section 159(3) of the Act permits Council to grant rebates without application on its own initiative. The potential cost of rebates for all retirement villages is included in Attachment 4.

The Act also provides that under Section 166 (1a) that:

A council must, in deciding whether to grant a rebate of rates or charges under subsection (1)(d), (e), (f), (g), (h), (i) or (j), take into account:

- (a) the nature and extent of council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in its area; and
- (b) the community need that is being met by activities carried out on the land for which the rebate is sought; and
- (c) the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons.

Within the rebate application no additional information has been provided to demonstrate that retirement villages provide benefit to the local community or other evidence provided to substantiate an entitlement to rebates on any other grounds other than funding their internal infrastructure and the limited services that they perceive are being provided.

While Subsection 166(1a)(a) above allows Council to consider this rebate application on the basis of service provision 'in comparison to similar services provided elsewhere in its area', it can be argued that the service provision to the villages is the same as the services provided to other residences; however in either circumstances some of these services may or may not be utilised. The Act does not refer to rebates based on service usage.

Subsection 166(1a)(b) above discusses the 'community need that is being met by activities carried out on the land". The activity provided on the land is mainly for residential purposes but for persons who are generally over 50 years of age who choose this lifestyle for the benefits it offers. However in general terms there is no real difference between residents choosing to live in a retirement village or in a community or strata complex as both must fund maintenance **of the 'common'** infrastructure.

Subsection 166(1a)(c) above discusses 'assistance or relief to disadvantaged persons'. The definition of disadvantaged persons used in Section 161 of the Act describes disadvantaged persons as persons who are disadvantaged by reason of poverty, illness, frailty, or mental, intellectual or physical disability. There is no indication that all residents in the village are disadvantaged persons.

Based on the all of the above considerations it is recommended that the rate rebate not be granted under Section 166(1)(h) on the basis of equity with other ratepayers.

2017-18 Discretionary Rate Rebate Attachment 1

Item	Ratepayer	Property Address	Actual use	Section	Eligibility	Rebate %	Recommendation/Reason	Total Rates	Rebate
1	Trility Pty Ltd	3/149 Little Road WILLUNGA SA 5172	Waste Water Treatment	166.1.B	Discretionary	100	Granted - Council Contract	\$573.89	-\$573.89
2	Noarlunga Leisure Centre	38 David Witton Drive NOARLUNGA CENTRE SA 5168	Recreation Centre	166.1.B.G	Discretionary	100	Granted - Council joint venture	\$10,477.25	-\$10,477.25
3	Noarlunga Leisure Centre	13 Seaman Road NOARLUNGA CENTRE SA 5168	Aquatic Centre	166.1.B.G	Discretionary	100	Granted - Council joint venture	\$10,941.13	-\$10,941.13
4	Brentwood Drive Kindergarten	79A Brentwood Drive HUNTFIELD HEIGHTS SA 5163	Kindergarten	166.1.D.G	Discretionary	100	Granted - Equity with other Kindergartens who are exempt under the Local Government Act	\$1,489.12	-\$1,489.12
5	Hackham West Children's Centre (DECS)	9 Vintners Walk HACKHAM WEST SA 5163	Kindergarten	166.1.D.G	Discretionary	100	Granted - Equity with other Kindergartens who are exempt under the Local Government Act	\$1,489.12	-\$1,489.12
6	Lutheran Church of Aust SA District	265 Beach Road MORPHETT VALE SA 5162	Kindergarten	166.1.D.G	Discretionary	100	Granted - Equity with other Kindergartens who are exempt under the Local Government Act	\$1,588.24	-\$1,588.24
7	Noarlunga Community Childrens Centre Inc	5 Windsong Court MORPHETT VALE SA 5162	Kindergarten	166.1.D.G	Discretionary	100	Granted - Equity with other Kindergartens who are exempt under the Local Government Act	\$2,568.21	-\$2,568.21
8	Studio 20	Shop 20/Pridham Boulevard ALDINGA BEACH SA 5173	Community Service Organisation	166.1.D.G	Discretionary	100	Granted - Council funded program (Studio 20)	\$2,552.11	-\$2,552.11
9	Girl Guides Aust Inc (Douglas Scrub)	216 Douglas Gully Road BLEWITT SPRINGS SA 5171	Guides Camping Ground	166.1.G	Discretionary	100	Granted - Equity with other Scout/Guide groups who are exemp under Rec Grounds Exemtions Act	\$2,488.27	-\$2,488.27
10	Girl Guides Aust Inc Hackham	9 Greenbank Grove HACKHAM WEST SA 5163	Girl Guides	166,1.G	Discretionary	100	Granted - Equity with other Scout/Guide groups who are exemp under Rec Grounds Exemtions Act	\$1,269.31	-\$1,269.31
11	Scout Association of Aust SA Branch	Sec Pt866 Railway Road SEAFORD MEADOWS SA 5169	Scout Hall	166,1,G	Discretionary	100	Granted - Equity with other Scout/Guide groups who are exemp under Rec Grounds Exemtions Act	\$1,349.23	-\$1,349.23
12	Scout Association of SA	9 Jennifer Drive MORPHETT VALE SA 5162	Scout Hall	166.1.G	Discretionary	100	Granted - Equity with other Scout/Guide groups who are exemp under Rec Grounds Exemtions Act	\$1,269.31	-\$1,269.31
13	Blewitt Springs Comm Hall & Progress Assoc Inc	506 Blewitt Springs Road BLEWITT SPRINGS SA 5171	Service to local community	166.1.J	Discretionary	100	Granted - Equity with other Community Associations who meet in Council owned premises	\$1,449.16	-\$1,449.16
14	Clarendon Community Association	80 Grants Gully Road CLARENDON SA 5157	Community Association Hall	166.1.J	Discretionary	100	Granted - Equity with other Community Associations who meet in Council owned premises	\$2,769.70	-\$1,988.70
15	Lions Club Willunga Districts Inc	5 Strout Road MCLAREN VALE SA 5171	Lions Club - community support	166.1.J	Discretionary	100	Granted - Community Benefti - Use by Community Groups	\$1,828.83	-\$1,828.83
16	Mr Gavin D F Malone	Allot 50 Sec 194 Pethick Road MCLAREN VALE SA 5171	Preservation of places of historic significance	166.1.C	Discretionary	100	Granted - Community Benefit - Aboriginal historical significance	\$1,440.00	-\$1,440.00
17	Onkaparinga Canoe Club Inc	20 Wearing Street PORT NOARLUNGA SA 5167	Community Sporting Facility	166.1.D.G	Discretionary	75	Granted - Community Benefti - Use by Community Groups	\$1,121.43	-\$841.07
18	Onkaparinga Canoe Club Inc	18 Wearing Street PORT NOARLUNGA SA 5167	Community Sporting Facility	166.1.D.G	Discretionary	75	Granted - Community Benefti - Use by Community Groups	\$1,201.37	-\$901.03
19	Autism Association of South Australia Ltd	11 Unley Court ONKAPARINGA HILLS SA 5163	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$2,144.30	-\$1,608.23
20	Unity Housing Co Ltd	Unit 1/82 Booth Avenue MORPHETT VALE SA 5162	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,153.30	-\$864.98
21	Unity Housing Co Ltd	Unit 2/82 Booth Avenue MORPHETT VALE SA 5162	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,153.30	-\$864.98

2017-18 Discretionary Rate Rebate Attachment 1

Item	Ratepayer	Property Address	Actual use	Section	Eligiblity	Rebate %	Recommendation/Reason	Total Rates	Rebate
22	Unity Housing Co Ltd	Unit 3/82 Booth Avenue MORPHETT VALE SA 5162	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,153.30	-\$864.98
23	Unity Housing Co Ltd	Unit 4/82 Booth Avenue MORPHETT VALE SA 5162	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,153.30	-\$864,98
24	Unity Housing Co Ltd	6 Hogg Avenue MORPHETT VALE SA 5162	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,217.23	-\$912.93
25	Adelaide Benevolent & Strangers Friend Society Inc	Unit 6/58 McKinna Road CHRISTIE DOWNS SA 5164	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,033.67	-\$775.26
26	Adelaide Benevolent & Strangers Friend Society Inc	Flat 2/11-13 Lambert Avenue CHRISTIES BEACH SA 5165	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,105.34	-\$829.01
27	Adelaide Benevolent & Strangers Friend Society Inc	Flat 3/11-13 Lambert Avenue CHRISTIES BEACH SA 5165	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,105.34	-\$829.01
28	Adelaide Benevolent & Strangers Friend Society Inc	Flat 4/11-13 Lambert Avenue CHRISTIES BEACH SA 5165	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,105.34	-\$829.01
29	Adelaide Benevolent & Strangers Friend Society Inc.	Flat 5/11-13 Lambert Avenue CHRISTIES BEACH SA 5165	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,105.34	-\$829.01
30	Adelaide Benevolent & Strangers Friend Society Inc	Unit 1/58 McKinna Road CHRISTIE DOWNS SA 5164	Housing - not for profit - disability	166,1,H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,033.67	-\$775.26
31	Adelaide Benevolent & Strangers Friend Society Inc	Unit 2/58 McKinna Road CHRISTIE DOWNS SA 5164	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,033.67	-\$775.26
32	Adelaide Benevolent & Strangers Friend Society Inc	Unit 3/58 McKinna Road CHRISTIE DOWNS SA 5164	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,028.77	-\$771.58
33	Adelaide Benevolent & Strangers Friend Society Inc	Unit 4/58 McKinna Road CHRISTIE DOWNS SA 5164	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,028.77	-\$771.58
34	Adelaide Benevolent & Strangers Friend Society Inc	Unit 5/58 McKinna Road CHRISTIE DOWNS SA 5164	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,033.67	-\$775.26
35	Adelaide Benevolent & Strangers Friend Society Inc	Unit 7/58 McKinna Road CHRISTIE DOWNS SA 5164	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,033.67	-\$775.26
36	Adelaide Benevolent & Strangers Friend Society Inc	Flat 1/11-13 Lambert Avenue CHRISTIES BEACH SA 5165	Housing - not for profit - disability	166.1.H	Discretionary	75	Granted - Equity with other Community Service Organisations. Not mandatory as not emergency accommodation	\$1,025.42	-\$769.06
37	Willunga Environment Centre Inc	18 High Street WILLUNGA SA 5172	Community Service Organisation	166.1,J	Discretionary	75	Granted - Community Benefit	\$2,011.34	-\$922.75
38	Junction and Women's Housing Ltd	72 Collins Parade HACKHAM SA 5163	Health and Wellbeing Centre	166.1,J	Discretionary	50	Granted - Community Benefit	\$2,207,59	-\$1,103.80
39	Naval Association of Australia	11 McKinna Road CHRISTIE DOWNS SA 5164	Community support/use	166.1.J	Discretionary	50	Granted - Community Benefit - Use by Community Groups	\$1,824.52	-\$912.27
40	RSL McLaren Vale & District Sub Branch	9 Tatachilla Road MCLAREN VALE SA 5171	Community Support/Use	166.1.J	Discretionary	50	Granted - Community Benefit - Use by Community Groups	\$1,815.99	-\$517,50
41	RSL McLaren Vale & District Sub Branch	2 Aldersey Street MCLAREN VALE SA 5171	Community Support/Use	166.1.J	Discretionary	50	Granted - Community Benefit - Use by Community Groups	\$2,988.59	-\$1,103.80

2017-18 Discretionary Rate Rebate Attachment 1

Item	Ratepayer	Property Address	Actual use	Section	Eligiblity	Rebate 9	Recommendation/Reason	Total Rates	Rebate
42	RSL Morphett Vale Sub Branch	8 Robertson Avenue MORPHETT VALE SA 5162	Community support/use	166.1,J	Discretionary	50	Granted - Community Benefit - Use by Community Groups	\$2,207.59	-\$1,103.80
43	RSL Port Noarlunga & Christies Beach	Allot 6 Sec 311 Esplanade PORT NOARLUNGA SA 5167	Community support/use	166.1,J	Discretionary	50	Granted - Community Benefit - Use by Community Groups	\$3,649.70	-\$1,824.86
44	RSPCA (SA) Inc	25 Meyer Road LONSDALE SA 5160	Community Service Organisation	166.1.J	Discretionary	50	Granted - Provides benefit to the community	\$5,645.60	-\$2,822.80
45	Willunga Bowling Club Inc	Allot 563 Sec 248 St Peters Terrace WILLUNGA SA 5172	Willunga Bowling Club	166.1.J	Discretionary	50	Granted - Community Benefit - Usy by Community Groups	\$2,290,10	-\$754.55
46	Willunga Recreation Park Inc	11 Main Road WILLUNGA SA 5172	Community support/use	166.1.J	Discretionary	50	Granted - Community Benefit - Usy by Community Groups	\$2,126.10	-\$672,55
otals	,	· ·			,	,	41	\$95,280.20	-\$73,728.30
Addition	al applications for determination								
47	Laura and Alfred West Cottage Homes Inc	Units 1-8 Osprey Avenue SEAFORD RISE SA 5169	Aged accomodation -Not for profit	166(1)(i)	Discretionary	0	Not Granted - Equity with other residents	\$8,395.16	\$0.00
48	Forest Place Lifestyle Village Residents Committee	249 units - 9 Happy Valley Drive HAPPY VALLEY	Retirement Village	166(1)(i)	Discretionary	0	Not Granted - Equity with other residents	\$347,904.38	\$0.00
otals							New Applications and Rebates as Recommended only	\$356,299.54	\$0.00

Brian and Pat March Forest Place Lifestyle Village 77/9 Happy Valley Drive Happy Valley SA 5159 13th June 2017

Onkaparinga City Council Annual Business Plan 2017-18 Public Meeting 13th June 2017

Good evening,

My name is Brian March. I have been a resident of Forest Place Lifestyle Village at Happy Valley since 16th June 2005. I am the current President of the Residents Committee. I appear before the Council again tonight to express our frustration and confusion as to why we pay full Council Rates and do not receive the same service as other Residents in the City of Onkaparinga. We should either receive the same service as other Rate Payers from Council or receive a discount on our Council Rates.

We are a Village of 250 residential units which are occupied by around 382 residents, most of whom are aged around 70 or over and receive a Commonwealth Pension, we all pay the same council rates as other residents such as where we previously lived in Christina Road Christie Downs, but we do not receive the same service from council as the residences in Christina Road. Being part of the Southern Community we should contribute a fair share to the Community through our Council Rates. Many of our Residents also contribute volunteering in the Southern area.

Living at Christina Road in Christie Downs we paid our annual council rates and received all the services of the City of Onkaparinga. If the road needed repair, a street light was not working, a tree needed trimming or the road needed sweeping all we did was ring the Council and it was put into the Council work schedule.

If you live at Forest Place Lifestyle Village or a similar type village in the Council area you are treated as if you are living on a different planet and made to feel that you are not part of the City of Onkaparinga. That is until a Councillor could possibly be affected by a Council restructuring then they come knocking.

Living at Forest Place Lifestyle Village is the best living decision we have made, only affected by the fact that we were/have not been told we must pay twice for some services that other residents in the City of Onkaparinga receive as part of the standard council rates. Some examples of this double dipping are:

1. Street Lighting at Forest Place.

We have 103 street lights and 44 bollard lights in the Village for which Residents are responsible for their maintenance, globe replacement, and the cost of Electricity to power these lights. If we want to fit LED lights to reduce our electricity cost, as council is doing, we also must pay for this change.

WHY do Residents have to pay this substantial Lighting extra cost?? If I still lived at Christina Road all this cost is part of my Council rates.

2. Road surface and Gutter maintenance and repair at Forest Place

There are around 8 kilometres of roads and gutters in Forest Place, we do not have footpaths in the Village so Residents walk on the road. Any road and gutter needing repair or replacement must be funded by Residents. Over recent times we have had a number of water pipe leaks (which we also paid for) and roads cracking due to soil movement which has resulted in substantial cost to the Residents.

WHY do Residents have to pay this substantial Road maintenance extra cost??

If I still lived at Christina Road all this cost is part of my Council rates.

3. Road Sweeping.

Forest Place Village is blessed by having many varieties of trees including some great gum trees that drop twigs, bark and leaves that are required to be cleaned up for the safety of Residents who walk on the road and to protect the environment. So, residents pay for a private contractor to sweep the Village roads twice per year. Yet the council road sweeper does all the roads around the Village (Chandlers Hill road on our boundary has just been swept, it has no residents) but the Road sweeper will not enter the Village to sweep our roads.

WHY do Residents have to pay this Road Sweeping extra cost??

If I still lived at Christina Road all this cost is part of my Council rates.

4. Tree Lopping

With so many trees in the Village, there is always one or two that need trimming up or removed, so residents employ an outside contractor to look after our trees so as that the area is safe, this is another expense that must be met by the Forest Place residents.

WHY do Residents have to pay this Tree Lopping extra cost??

If I still lived at Christina Road all this cost is part of my Council rates.

In addition to the four examples Residents of Forest Place also meet all the costs associated with maintenance and running a Community Centre, Clubrooms, Pool/Spa, Croquet Green and Bowling Green, all of which could be expected to receive some funding assistance from Council in their continuing upgrade programs, if we did not live at Forest Place Lifestyle Village.

All we want is to be treated the same as other Residents in the City of Onkaparinga, that is to receive all services available from Council, if that is not possible then a discount in our yearly Rates to compensate for these services not being provided.

As President of the Forest Place Residents Committee, I need to be able to advise the residents as to why we are being treated differently to other Residents in the City of Onkaparinga.

Accordingly, I would request a reply in writing as to why Residents at Forest Place are different from other Residents in the City of Onkaparinga and do not receive a discount on our Council Rates.

Thank you for this opportunity to express our concerns to the Council.

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Brian M March



Our Ref:

MJK:del:061197

Your Ref:

G6 03/05-3

11 May 2007

Ms Joan Murrell The City of Onkaparinga PO Box 1 NOARLUNGA CENTRE SA 5168 173 Wakefield Street Adelaide SA 5000 GPO BOX 1018 Adelaide SA 5001 P (08) 8235 3000 F (08) 8232 0926 DX 662 Adelaide DX www.wallmans.com.au www.wallmans.com.au ABN 98 802 494 422

Dear Joan

RATE REBATE - RETIREMENT VILLAGES & STRATA TITLE PROPERTIES

I refer to the above matter and your letter dated 4 May 2007.

You have requested advice on the following:

- (a) possible issues that may arise as a result of the resolution of the Council that it write to the management of each retirement village in the area requesting submissions demonstrating that any rebates will be refunded directly to residents;
- (b) a definition of "Retirement Villages" and their eligibility for rates rebates:
- (c) a definition of "Aged and Disabled" and their eligibility for rates rebates; and
- (d) whether there is any direction that provides for the Council to consider a different approach when assessing rebate applications from Retirement Villages as distinct from the consideration of rebate applications from owners of Strata or Community Titles and/or other "Community" housing groups.

1. Background

You have advised me that following the Public Forum on 1 May 2007, the Council passed two resolutions relating to the Council's rate rebate practices. The resolutions are:

(a) "That Council write to the management organisation and/or owners of each retirement village within the city of Onkaparinga to advise them that Council may as part of future rating policy be prepared to consider a level of rebate for residents within retirement villages. However, before considering the matter further Council invites the management organisation and/or owners of each village to demonstrate a working mechanism

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Andrew Fowler-Walker Tristan Gerke Debra Khor Dylan Lowrey Eliana Ugolini

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whereby any rate rebate so granted would be refunded directly to each resident within the village" ("the First Resolution"); and

- (b) "As part of Council's proposed 2007/2008 Annual Business Plan and specifically relating to Rate Rebates to retirement village residents Council staff present additional information including, but not limited to, the following: -
 - (i) Definition of Retirement Villages and their eligibility for rates rebates.
 - (ii) Definition of 'Aged and Disabled' (as referred to in the Local Government Act) and the method of rating and the eligibility for rates rebates.
 - (iii) What, if any, direction (legal or otherwise) provides direction for a different approach to rate rebates for residents of Retirement Villages as distinct to Strata Title/Community Title residential developments and/or 'community housing'" ("the Second Resolution").

2. The First Resolution

At the outset, I draw your attention to Section 166(3b) of the *Local Government Act* 1999 which provides that the Council must give reasonable consideration to granting rebates under the Section and should not adopt policies that exclude consideration of applications for rebates on their merits. The First Resolution might be said to suggest that applications will not be considered unless the further information requested from management has been supplied. If this were the case, then such direction could not be put into effect as it would go beyond the Council's authority, given that it is required by law to consider all applications on their individual merits.

This above issue aside, I consider that the First Resolution is unlikely to cause any significant issues for the Council. Essentially, it should be interpreted as on the one hand, encouraging applications for rebates where none may currently be provided and, on the other hand, as implying that applications for rebates by retirement village managers/residents are likely to be carefully scrutinised where it has not been demonstrated that the benefit of the rebates will be transferred directly to the residents.

In practical terms, the communications issued pursuant to the First Resolution may have the effect of encouraging more retirement village managers and residents to apply for rebates. However, aside from the potential for increased resources being required to deal with the applications and, of course, the potential for a reduction in rate revenue should Council determine to allow more rebates, this poses no significant problems.

It is possible that the representation from the Council envisaged by the First Resolution will give rise to a "reasonable expectation" that full and favourable consideration will be given to applications for rebates where management have complied with the Council's required to give full consideration. However, as I have noted above, the Council is required to give full consideration to the merits of applications made under Section 166 regardless, and hence any such expectation in this regard is merely a reflection of the Council's statutory obligations. As such, I do not consider that any communications made pursuant to the direction contained in the First Resolution could place any special obligation on the Council to give additional consideration to the granting of rebates to retirement villages.

3. The Second Resolution

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As highlighted in your letter, the Second Resolution gives rise to a number of issues as set out below.

Definition of "Retirement Villages"

As you have correctly observed in your instructions, "Retirement Villages" are not accorded any special or unique grounds upon which to seek rate rebates per se, but rather must seek to come within the ambit of Sections 166(1)(h) and/or (j) of the Act. It is, therefore, questionable whether the addition of a definition of "Retirement Villages" to the Council's 2007/2008 Annual Business Plan is of any real assistance to persons seeking rate rebates, given that whether they fall within such a definition should have no bearing on the Council's determination. Notwithstanding this, if the Council is desirous of defining "Retirement Villages" for the purposes of the Plan, I agree with your assessment that it should be defined by reference to the *Retirement Villages Act* 1987. However, I suggest that the Plan should expressly state that rebates under Section 166 (and in particular Section 166(1)(h)) are not limited to retirement villages as defined in the Retirement Villages Act, and may extend to any arrangement where land is being used to provide accommodation for the aged or disabled, subject to Council's discretion.

Definition of "Aged and Disabled"

I do not consider that a precise definition of "Aged" and/or "Disabled" in isolation is appropriate (or of particular assistance) for the Council to utilise when determining whether Section 166(1)(h) applies to a certain piece of rateable land. It is apparent from the context in which the terms appear that they cannot be accorded exact definitions (eg "Aged means 65 years or older" etc), and it is likely that this is the reason that the legislature did not attempt to so define them. Section 166(1)(h) reads that a rebate may be granted "where the land is being used to provide accommodation for the aged or disabled". The interpretation of "aged or disabled" must be drawn by reference to the context in which it appears, namely it needs to be interpreted by reference to "accommodation". Hence, I consider that a definition of "aged or disabled" can be no more precise than "persons of sufficient age or disability, such that they require special accommodation". Clearly, this will be a matter of degree and can only be determined on a case by case basis.

As I discuss below, in my opinion Section 166(1)(h) requires an analysis of the nature of the development for which the application has been made, not merely the people residing in it. Hence where a development has been specially constructed for the needs of aged or disabled persons (as contrasted with "other" persons), then it is likely to satisfy the requirements of Section 166(1)(h), regardless of the exact age or disability of the persons residing in it.

Combination of land use

In the case of land that is being used for a combination of accommodation for the aged or disabled as well as other purposes (such as administration), then it may be appropriate to deny rebates for non-residential components. That being said, where land is being used for a purpose which is reasonably incidental to the accommodation provided to the aged or disabled residents (eg communal facilities such as laundries, or special services such as health care) then it may be appropriate to extend rebates under Section 166(1)(h). Further, consideration may need to be given to whether land which is being used in conjunction with accommodation for the aged or disabled (eg administration/offices etc) ought to receive a rebate under Section 166(1)(j). This is a matter of discretion to be exercised by the Council.

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Type of development

The Second Resolution calls for an examination as to whether retirement villages should be treated differently to other "community"/strata residential developments. As discussed above, and recognised in your letter, the Act does not allow for rebates by reference to land being used as a "retirement village". Rather, the Act states that land being "used to provide accommodation for the aged or disabled" (Section 166(1)(h)) or "used by an organisation which ... provides a benefit or service to the local community" (Section 166(1)(j)) may be granted a rebate. Whilst retirement villages may be an example of land being used for one of the above purposes, it is important not to conflate the issues. Any land, regardless of the particular form of the development upon it, may be eligible for a rebate if its use satisfies one of the above purposes.

The Second Resolution appears to assume that the basis for a rebate under Section 166(1)(i) is that retirement villages and other similar developments use less of the Council's resources (due to the provision of internal roads and infrastructure etc) and hence a rebate may be considered. However, it must be observed that this is not the case. The rebate is expressed to be available where accommodation is provided to the "aged or disabled", not where accommodation is provided "in a manner which reduces the use of Council resources". Thus, a reduction in the use of Council resources has no bearing on whether Section 166(1)(j) applies to a certain piece of land. However, the Council may chose to take these factors into consideration when determining whether or not to grant a rebate. Hence, there is no reason why the Council should approach the question of rebates differently when considering an application from a retirement village with that of a strata development, or any development for that matter (regardless of whether it is a "community" style development or not). This is not to say that the type of development will not be a relevant consideration for the Council when determining whether to exercise its discretion to grant a rebate.

As I have already suggested, the question should not be considered in terms of whether the development is a "retirement village" or some other "community" development for the purposes of determining whether Section 166(1)(j) may apply. Rather, where an application is made, the Council should consider whether there is anything special about the land use which brings it within the operation of the Sub-Section — i.e. is the land "being used to provide accommodation for the aged or disabled". The fact that aged or disabled may chose to reside on a certain piece of land clearly cannot be enough (if this were the case, then any house in which a elderly person or a disabled person resided would be brought into the ambit of Section 166(1)(j)). I consider that there must be some specific feature of the land or development which allows for it to be identified as "being used to provide accommodation for the aged or disabled".

Retirement villages will often be good examples of such developments — they are designed and built for the needs of elderly persons, often with special services available to cater for such persons, and are generally restricted in that only elderly persons and there spouses may live there. Clearly this is quite different from a normal strata development which has no distinctive features to identify it as accommodation for the "aged or disabled", despite the fact that many such persons choose to live there. However, a strata development which has been specifically designed and built for the purposes of providing housing appropriate for elderly or disabled persons, notwithstanding that it is not a retirement village, may come within the ambit of Section 166(1)(j). It should also be noted that even a single house which has been designed or modified specifically for elderly or disabled persons could satisfy Section 166(1)(j).

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Council's Discretion

It is important, when considering the above, to bear in mind that merely because a particular piece of land is eligible for a rebate under Section 166(1)(j) does not mean that the Council is obliged to offer such a rebate. Hence, the Council might legitimately exercise its discretion to allow a rebate for a retirement village, whilst not allowing a rebate for a strata development which has been specially designed for elderly people. Further, the Council might legitimately allow a rebate in respect of one retirement village, whilst not allowing a rebate in respect of another retirement village. This is, however, as a result of Council's discretion, not because Section 166(1)(j) does not apply to them both, and not because a different approach has been taken in considering the application of a retirement village as compared to another form of development.

In exercising its discretion, the Council is required to take into consideration those issues prescribed in Section 166(1a), being:

- the nature and extent of council services provided in respect of the land for which the rebate is sought in comparison to similar services provided elsewhere in its area;
- (b) the community need that is being met by activities carried out on the land for which the rebate is sought;
- (c) the extent to which activities carried out on the land for which the rebate is sought provides assistance or relief to disadvantaged persons; and
- (d) any other matters considered relevant by Council.

I suggest, and as is also suggested in the "Rate Rebate Policies" Report enclosed with your letter, that consideration (a) above, should not be viewed as particularly persuasive in the case of retirement villages and other similar developments. This is principally because it is in no sense unique to such developments. Ordinary strata developments often contain privately constructed and maintained roads and other infrastructure which the Council otherwise provides, as well as a "more dense" form of residency which might be argued to result in a less intensive use of Council resources. These developments, however, receive no rebate under the Act. The same can be said for certain industrial and commercial developments. As is noted in the Act (and the Report), rates are a system of taxation, and they are not and should not be directly proportionate to the services used by the ratepayer. In my opinion, rebates to retirement villages and other such developments should predominantly be provided on considerations such as (b) and (c) above — i.e. where the Council considers that the development satisfies a community need, or provides assistance to disadvantaged persons (eg provides low cost accommodation to the elderly or disabled). This is, of course, a matter for the Council to determine and, as always, the Council should make any decision based on the individual merits of the application before it.

4. Summary

In summary, I do not consider that it is profitable for the Council to overly concern itself with defining "Retirement Villages" or treating retirement villages under the *Retirement Villages Act* in any special manner when considering applications for rate rebates. Ultimately, the Council needs to look at whether the land for which an application has been made is used for a purpose listed in Section 166(1) (eg. for the provision of accommodation of the aged or disabled), and then to exercise its

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discretion as to whether it is appropriate or desirable to grant a rebate in the circumstances. In conclusion:

- (a) It is unlikely that any significant issues will arise as a result of the First Resolution. However, insofar as it might be read as purporting to exclude consideration of applications where it has not been demonstrated that rebates will go directly to residents, it cannot be put into effect as the Council is obliged to consider all applications on a merit basis (see specifically Section 166(3a)).
- (b) Whilst I do not consider a definition of "Retirement Villages" in the Annual Business Plan particularly beneficial, if one is desired then reference to the *Retirement Villages Act* 1987 is appropriate.
- (c) The terms "aged" and "retired" cannot be defined in isolation from the balance of Section 166(1)(h). The best definition that could be given is "persons who are of sufficient age or disability, such that they require special accommodation".
- (d) Where land is being used for a combination of purposes, partially for accommodation for the aged or disabled, and partially for other purposes, then rebates may only considered for those parts relating to accommodation. However, land being used for purposes reasonably incidental to the accommodation of the aged or disabled residents should be considered for eligibility for a rebate pursuant to Section 166(1)(h). Consideration under Section 166(1)(j) might also be appropriate in certain circumstances.
- (e) For the purposes of Section 166(1)(h), applications should not be approached differently based on whether the land is being used for a retirement village or some other development. Rather, consideration should be given to whether there is some special feature of the development which can reasonably attribute the land use as "accommodation for the aged or disabled". For this reason, it is unlikely that an ordinary strata development will satisfy Section 166(1)(h), despite the fact that elderly or disabled persons may chose to live there.
- (f) In my opinion, rebates should not be granted, even where land qualifies for a rebate under Section 166(1)(h) merely because the land use is less intensive in terms of the use of Council resources. Of more importance is whether the Council considers that the development provides the community, or disadvantaged persons, with some special benefit warranting a rebate.

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If you wish to discuss this matter further, or would like assistance in drafting a Council policy specifically addressing the issue of rebates for aged and disabled accommodation, please contact either myself or Dylan Lowrey.

Yours sincerely

WALLMANS LAWYERS

MICHAEL KELLEDY

Direct Line: 8235 3091 Mobile: 0434 608 737

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Rate Rebates for 'Retirement Villages' - Guidelines and history

History

- There was no provision for automatic rebates to retirement villages prior to the new Local Government Act 1999 (the Act).
- Rebate provisions in the new Act were quite complex and retirement villages were given detailed consideration at the time the new Act was introduced.
- For the first three years under the Act there was a requirement for councils to prepare
 a parliamentary report on how many applications were received from retirement
 villages and how many were granted or denied.
- A report was prepared by the Local Government Financial Management Group and Norman Waterhouse in 2000. This report was reviewed and updated in 2008 with the recommendation as follows:

It is clear from a legal perspective that the provisions in the 1999 Acts neither obligate Councils to grant rebates nor create any presumption in favour of rebates with respect to retirement villages.

Whilst fully recognising that this is a matter for decision by individual Councils having regard to the various legislative provisions referred to earlier in this Report, it is our view that the case for a general policy in favour of granting rebates for retirement villages is not warranted. In particular, arguments regarding the "less intensive" use of Council resources put forward as a justification for rebates for retirement villages can not be considered particularly persuasive. Of more relevance are issues such as the community need being filled by the retirement village, and whether assistance is being provided to disadvantaged persons. In any event, each case must and indeed, should, be considered on its merits.'

- All applications received by Council from retirement villages are done so on the basis of retirement villages funding their own internal infrastructure and street lighting etc (ie saving money for Council).
- Most councils do not make any provision for a rebate to retirement villages.

Villages – Variations in Management and Fees

- Villages are governed under the Retirement Villages Act 1987 that dictates that the same management fee must be imposed on each unit. Management fees can include the following components:
 - funding additional service facilities provided within village
 - general building maintenance
 - infrastructure maintenance
 - building insurance costs
 - professional on-site management fees
 - gardening/landscaping
 - maintenance of common areas and community facilities
 - provision of a 24-hour emergency call system
 - insurance
 - electricity costs common areas and lighting
 - council rates (in most villages).
- Residents do not own the properties/units and usually in return for an interest free loan to the village they are allocated a licence to occupy.

Rate Rebates for 'Retirement Villages' - Guidelines and history

- Most residents do not pay rates (at least directly) to Council as rate notices are issued directly to village management. As such most of these villages include rates in their management fee, but there are a number of villages (eg the newer Lifestyle villages) that do not.
- Those villages that do not include the rates in their management fee nominate the
 resident as the ratepayer. The resident receives the rates notices and pay rates directly
 to council.
- For those villages that do include the rates in their management fee there are some villages where all the units are not uniform in size and structure and therefore vary in valuation. As the same management fee applies to all units this means residents in lower valued units subsidise those in high valued units in regards to rates. To vary this arrangement the village management must get the signed agreement of every licensed resident. Some residents in these villages have chosen not to change their management agreements (and be listed as the ratepayer) which would allow a fairer distribution of costs.

Status at the City of Onkaparinga

- Prior to the new Act the villages did not receive any rebates or donations from the City of Onkaparinga.
- Since the new provisions rebate applications have been received each year and have been subsequently denied. In making the decision to deny the applications Council has considered the following:
 - Similarities with both strata and community plan properties. In each of these properties the ratepayers must fund their internal infrastructure and street lighting costs.
 - Each has their own common areas, some just car parking and driveways, external lighting and common garden areas. Larger groups also have roadways, drainage and street lighting.
 - Retirement villages have many more 'shared facilities' available only to the residents
 eg community hall, swimming pools, tennis courts, bowling greens, games areas,
 doctors rooms, hairdressers, library and provision of a community bus. These are
 not available to the general public for use. Any rebates would in effect subsidise
 these facilities.
 - Some villages provide a bus service as part of the attraction for residents. Residents still have option to use the council bus. Owners may also use the village bus for other purposes.
 - Residents choose to live in villages knowing monthly management fees recover the
 costs involved including the services and facilities provided. Residents in Strata
 Titled units are also subject to these costs but generally on a quarterly basis
 (no additional services or facilities provided).
 - Council does not control monthly fees imposed by villages and there is no guarantee that rebates will be passed on fully to residents.
 - Council rebates may be proposed to subsidise the costs of infrastructure maintenance (and supposedly a provision for depreciation/replacement) however there are no guarantees that monies would be used for this provision.
 - The actual costs of maintenance of infrastructure have never been submitted as part of any rebate application though we have requested this information to be provided.
 - Village residents receive government concessions (pension and self-funded retiree) as do other ratepayers. Pensioners and self-funded retirees also live in strata and community plan properties.

Rate Rebates for 'Retirement Villages' - Guidelines and history

 General rating principles (Section 150 of the Act) states that rates are a system of taxation generally based on valuation. It does not recognise the level or use of services and as such if we recognise the 'services' for one group and not others it could be seen as inequitable.

Cost implications

- Growth of retirement village developments and aged accommodation generally is very strong within our council area. The City of Onkaparinga currently has 22 retirement villages with some still under construction and other new villages proposed.
 This number has grown by four new villages and 1,223 units since 2006–07.
- To give an indication of the potential cost of a discretionary rebate a table of retirement villages and associated rates has been attached. In summary:
 - Number of assessments (including those where construction is still to be completed) is 2,804.
 - Cost of 5% rebate would be \$156,772 (compared to \$54,724 in 2006–07).
 - Cost of 10% rebate would be \$313,543 (compared to \$112,222 in 2006–07).
 - Ongoing development will see an additional village comprising 434 units at Seaford Meadows. Two other existing villages have growth provisions (eg vacant land) however this growth is staged with DA's yet to be lodged.

Other Councils

- The City of Victor Harbor used to provide a rebate to all retirement village assessments where internal infrastructure is not maintained by the council. This only represented approximately 348 assessments. This rebate has been withdrawn since 2015–16.
- The Barossa Council provides 'relief' by way of a 50% rebate on their Fixed Charge only
 to all the independent living units in two retirement villages in their area run by Not for
 Profit organisations. The do not provide any rebates to the other privately run
 retirement village. This represents approximately 262 assessments. The Barossa
 Council are currently reviewing their Rebate Policy with the purpose that this rebate
 maybe withdrawn for 2018–19.
- Naraccorte Lucindale Council provides a 25% rebate to ILU's in one village and a 50% rebate to ILU's in a second Village. Both villages are run by not for profit organisations with one being run by a locally established community organisation.
- Loxton Walkerie Council were providing a 75% discretionary rebate to their only retirement

- village. This represented approximately 194 assessments. They have progressively been phasing this rebate out. For 2017–18 a 25% rebate has been provided, however will be withdrawn in full from 2018–19.
- Although very few other councils are known to grant rebates for villages most still have a minimum rate structure and under the Act retirement villages are exempt from imposing the minimum rate on independent living units.

Rate Rebates for 'Retirement Villages' - Guidelines and history

Village	Owners	Residential Assessments	Rates Levied	Rebate at 5%	Rebate at 10%
Perry Park	Aged Care & Housing	69	\$62,722.94	\$3,136.15	\$6,272.29
Aldinga Shores**	Aldinga Shores Pty Ltd	93	\$107,799.53	\$5,389.98	\$10,779.95
The Braes	Australian Retirement Homes Ltd	105	\$113,815.19	\$5,690.76	\$11,381.52
Bethsalem	Christadelphian Care Services SA Inc	27	\$31,608.82	\$1,580.44	\$3,160.88
Reynella Lodge	Churches of Christ Life Care Inc	63	\$62,469.37	\$3,123.47	\$6,246.94
Ferneligh Gardens **	Living Choice Woodcroft Pty Ltd	157	\$176,811.90	\$8,840.60	\$17,681.19
St Basil's	Greek Orthodox	48	\$43,418.09	\$2,170.90	\$4,341.81
Garden Estate Christies	Garden Estate Christies Pty Ltd	51	\$15,463.87	\$773.19	\$1,546.39
Garden Estate Hackham	Garden Estate Hackham Pty Ltd	95	\$10,986.55	\$549.33	\$1,098.66
Forest Place	Happy Valley Lifestyle Village	249	\$347,904.38	\$17,395.22	\$34,790.44
Hillsview	Masonic Homes Limited	234	\$261,877.53	\$13,093.88	\$26,187.75
Mclaren Lodge	Keyinvest Ltd	143	\$171,288.57	\$8,564.43	\$17,128.86
The Reserve	Land SA Pty Ltd and Lifestyle Services	142	\$202,507.19	\$10,125.36	\$20,250.72
Moana Mews	Moana Mews Retirement Estate Pty Ltd	69	\$68,097.52	\$3,404.88	\$6,809.75
Salford	Salford Living Pty Ltd	74	\$76,354.68	\$3,817.73	\$7,635.47
Unity	Salford Living Pty Ltd	90	\$96,804.68	\$4,840.23	\$9,680.47
The Sands	Lifestyle Services (Aust) Pty Ltd	180	\$234,181.38	\$11,709.07	\$23,418.14
The Vineyard	The Vineyard Retirement Village Pty Ltd	29	\$56,182.34	\$2,809.12	\$5,618.23
Elkanah	Aged Care and Housing Group Inc	111	\$108,386.81	\$5,419.34	\$10,838.68
Aldersey Grove	Southern Districts War Memorial Hospital	24	\$28,289.33	\$1,414.47	\$2,828.93
Walnut Grove	Masonic Homes	65	\$71,364.26	\$3,568.21	\$7,136.43
The Piont **	Southern Cross Care	82	\$111,703.27	\$5,585.16	\$11,170.33
##Yet to be constructed	Estimate growth where DA's lodged	170	\$190,094.00	\$9,504.70	\$19,009.40
Proposed -Seaford Meadows	Estimate not yet constucted - Lifestyle SA	434	\$485,298.80	\$24,264.94	\$48,529.88
Totals	an where known applications oviet cotimete	2,804	\$3,135,431.00		\$313,543.10

^{**}these villages are still expanding - where known applications exist - estimates provided for completion at current average rates##

	Strata and Community Plans					
	Number of SP or CP Plans	No of Units	Rates levied	Rebate at 5%	Rebate at 10%	
Totals all Strata & CPs	1283	6522	\$ 8,803,685.00	\$ 440,184.25	\$ 880,368.50	
Total Villages, Stratas and CP	otal Villages, Stratas and CP's \$ 11,939,116.00 \$ 596,955.80 \$ 1,193,911.60					

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Date Printed: 16 November 2017

9.9 Employment Lands Development Plan Amendment for approval and submission to the Minister for Planning

This is an update on a previously reported subject, concept or issue.

Manager: Renée Mitchell, Manager Development Services

Report Author: Craig Jones, Development Policy Planner

Contact Number: 8384 0617

Attachments: 1. Summary of Consultation and Proposed Amendments

(SCPA) report (39 pages)*

2. The Amendment (160 pages)*

3. Public submissions (113 pages)*

*Attachments provided under separate cover

1. Purpose

To present the Summary of Consultation and Proposed Amendments (SCPA) report and The Amendment of the Employment Lands Development Plan Amendment (DPA) for Council approval to formally submit the DPA to the Minister for Planning.

2. Recommendations

That Council:

- Approves the Summary of Consultation and Proposed Amendments (SCPA)
 report in response to the Employment Lands Development Plan Amendment
 as contained in attachment 1 to the agenda report.
- 2. Approves The Amendment for the Employment Lands Development Plan Amendment as contained in attachment 2 to the agenda report, to formally submit for approval to the Minister for Planning in accordance with Section 25 (14) of the *Development Act 1993*.
- 3. Delegates to the Chief Executive Officer, or his nominee, the authority to make any necessary changes to The Amendment Employment Lands Development Plan Amendment in order to obtain the approval of the Minister of Planning, providing the policy intent is not altered and the changes are minor.
- 4. Notes that all submitters will be written to individually and advised on the outcome of the DPA and how their submission has been responded to.

3. Background

The need to commence the Employment Lands DPA is contained in the Strategic Directions Report approved by the Strategic Directions Committee (SDC) on 13 August 2013 and endorsed by the Minister for Planning in February 2015.

At **the Strategic Directions Committee's** meeting on <u>26 April 2016</u>, the Statement of Intent (SOI) and Community Engagement Strategy were considered and approved.

We received approval of the SOI from the Minister for Planning on 12 April 2017.

The Employment Lands Development Plan Amendment (DPA) has been informed by the Employment Lands Analysis (Jones Lang LaSalle 2015) and Employment Lands Study (Intermethod 2016). The Analysis and Study provided a detailed assessment of our employment land offering in our city, considered supply and demand, the extent and quality of our industrial precincts, vacancies, macro trends and relevant considerations to inform our approach to land use policy.

The draft consultation version of the DPA was approved for consultation by the SDC on <u>18 July 2017</u>.

Consultation was undertaken for a period of eight weeks from 25 July 2017 to 19 September 2017, with 25 public submissions received during that period. A summary of the submissions along with our responses are contained in the Summary of Consultation and Proposed Amendments (SCPA) report (refer attachment 1).

4. Financial Implications

The DPA (including preparation of investigations, documentation and consultation requirements) is funded from the existing 2017/18 operating and Project and Capital Works budgets.

5. Risk and Opportunity Management

Risk	Risk				
Identify	Mitigation				
Failure to meet Minister's deadline of completing the DPA by December 2017	We have been advised by the Minister that DPAs that support economic growth and investment will be given priority. Given the purpose of this DPA is to provide a more flexible regulatory arrangement for employment generating land uses, we are confident we will obtain the Minister's approval, subject to adhering to the scope of work set out in the SOI.				
	Should we introduce new elements into the DPA at this stage and with the compressed timeframes, we risk the DPA not being approved before the deadline (imposed by the Minister due to the South Australian planning system transitioning to the <i>Planning</i> , <i>Design and Infrastructure Act 2016</i>).				
Failure to identify, capture and consider issues relevant to employment land matters.	This DPA has been informed by the comprehensive expert analysis and study, continuous engagement with our Economic Growth and Investment team, industry input through Council's Economic Development Forum, discussions with the Department of Planning, Transport and Infrastructure (DPTI) and consultation with the community. The DPA aligns with the State Government's strategic planning framework and Council's Community Plan to support investment and				

employment growth. We have set out a contemporary planning policy framework that is flexible and responsive to local businesses to diversify into new industries and markets, and enable supporting land uses for the local work force.	
framework that is flexible and responsive to local businesses to diversify into new industries and markets, and enable supporting land uses for the	employment growth.
	framework that is flexible and responsive to local businesses to diversify into new industries and markets, and enable supporting land uses for the

Opportunity	
Identify	Maximising the opportunity
To support Council's goals of innovation, growth and investment	Planning is an important conduit in encouraging investment and ensuring a positive interaction with our business community.
	Council's strategic aims are to increase employment, foster innovation and help enable the growth of new industries. Onkaparinga 2035 provides our vision for strong vibrant communities guided by the Theme: Prosperity – opportunity, diversity and adaptability. The introduction of a more contemporary planning policy framework directly supports the Prosperity Objectives of Onkaparinga 2035. • A city with a prosperous, diverse and competitive economy • A city with strong business investment and confidence within a changing wider economy Further, the DPA aligns with our ON Business Partner Program in that it assists in maximising the potential of local businesses, making it easier to do business, and support and enhance the local economy.

6. Additional information

DPA purpose

This DPA has focused on the Industry Zone, Light Industry Zone and Bulky Goods Zone areas located at Lonsdale, Seaford, Seaford Meadows, Old Noarlunga, Aldinga Beach, Reynella, Old Reynella, Hackham, McLaren Vale and Willunga, which make up some 950 hectares of our council area.

We have proposed more flexible policy to make our Development Plan more responsive to the new and emerging needs of businesses that employ people, and to encourage investment and the generation of more jobs.

Consultation and public meeting submissions

The Summary of Consultation and Proposed Amendments (SCPA) report as provided in attachment 1 contains details of each submission received and a detailed response to the submission, including matters raised at the Public Meeting.

In response to the submissions, the main policy changes proposed include the following:

- amend the minimum allotment frontage to 20 metres (from 25 metres) for the Home Business Policy Area 17 (consistent with the Urban Employment Zone)
- amend a zone boundary anomaly (Southern Region Waste Resource Authority (SRWRA) - relating to a recent road closure and opening process that amended allotment boundaries)
- amend the Infrastructure Policy Area 13 Desired Character (Southern Region Waste Resource Authority) to enable continuation of waste recovery activities and long term adaptably of land uses over the SRWRA site
- amend the proposed Interface Area of the Urban Employment Zone
 - reduced at O'Sullivan Beach to ensure continuation of existing long standing industrial activities
 - o inclusion at Sigma Road Lonsdale to enable greater flexibility of land uses
- amend the Urban Employment Zone Desired Character to ensure appropriate continuation of existing industrial activities in balance with the protection of adjoining residential development
- amend the Urban Employment Zone Non-complying Development table to allow Horticulture within Infrastructure Policy Area 13 (SRWRA site)
- amend the envisaged land uses in the Urban Employment Zone Interface Area to include bulky goods outlets and consulting rooms
- amend the Urban Employment Zone Principles of Development Control 7, 8 and 10 (now 5, 6 and 8) to avoid ambiguity and provide consistency for desired land uses in Interface, Co-ordinated Development Sites and Main Road Policy Area 12.

Further explanation is provided in the SCPA report.

Next Steps

Post Council's consideration and endorsement of the Summary of Consultation and Proposed Amendments (SCPA) report and The Amendment, the DPA package will be submitted via the Department of Planning Transport and Infrastructure (DPTI) to the Minister for Planning for consideration.

The Minister has requested that we complete the DPA by December 2017, however there are still several steps required to finalise the DPA once it has been submitted to the Minister.

These steps are as below:

- 1. The Minister will review the DPA documents and either:
 - (a) approve the amendment, or
 - (b) after consultation with council, alter the amendment and approve the amendment as altered, or
 - (c) decline to approve the amendment.
- 2. The Minister needs to give an approval by notice in the Gazette and fix a day on which the amendment is consolidated into the Development Plan.
- 3. Council staff will then write to all submitters and advise them of **the Minister's** decision and how we responded to their submission.



Attachments 1-3

Provided under separate cover

Date Printed: 16 November 2017

9.10 Heritage workshop and City of Onkaparinga History and Heritage Awards 2018

This is a new proposal, concept or issue.

Manager: Renée Mitchell, Manager Development Services

Report Author: Divya Bali Dogra, Built Heritage Planner

Contact Number: 8384 0552

Attachments: 1. History and Heritage Awards 2018 – Guidelines and

Nomination Form (6 pages)

2. Images of previous Heritage workshops and History and

Heritage Awards (4 pages)

1. Purpose

The council's biennial History and Heritage Awards are scheduled to be presented in conjunction with the annual Heritage Workshop in May 2018. This report is seeking the endorsement of the Council for the operational scope of the workshop and the awards.

2. Recommendations

- That the Council approves a one and a half day workshop on 26 and 27 May 2018 about leadlighting conducted by Willunga Glass Studio at 36 High Street, Willunga, as part of South Australia's History Festival.
- 2. That the Council approves the following award categories and process for the 2018 biennial City of Onkaparinga History and Heritage Awards contained in this report:
 - a. Award categories:
 - i. Heritage Places restoration and conservation
 - ii. Heritage Places additions
 - iii. Heritage Places adaptive reuse
 - iv. Traditional Building Skills.
 - b. Monetary prize of \$1,500 for each category.
 - c. The judging panel to comprise council's Heritage Adviser, Andrew Stevens and two elected members of Council.
 - d. Announcement of the awardees via media release, website, the Onkaparinga News section of the Southern Times and the Hills and Valley newspapers, and by direct contact with nominees.
 - e. A presentation event to occur on 27 May 2018 as part of South Australia's History Festival.
- 3. That the following elected members be appointed to the judging panel for the City of Onkaparinga 2018 History and Heritage awards
 - n. (insert name).
 - b. (insert name).

3. Background

Council has organised events since 2011 and Heritage Awards biennially since 2008 as part of <u>South Australia's History Festival</u>, an annual event presented by the History Trust of SA during May.

The key objective of the City of Onkaparinga History and Heritage Awards is to promote and recognise a variety of initiatives within, or associated with, the City of Onkaparinga that have contributed to the promotion, conservation and understanding of our local history and heritage.

This report outlines the proposed City of Onkaparinga 2018 History and Heritage Awards event, with presentation of awards and built heritage-related community workshop proposed to occur in May 2018.

The heritage workshops and awards are organised in addition to the events that are organised by council's Libraries and information on these events will be provided via Weekly News when available.

4. Financial Implications

The total budget of \$17,500 is allocated in the 2017/18 Projects and Capital Works program, comprised of:

- Workshop: up to \$6,600, for 9 hours of the presenter's time over two days, material and tools.
- Prizes: \$6,000 (\$1500 x 4 awards) for prize money.
- Event and promotion: a total \$4,900 for production of plaques/trophies for each award, the awards presentation event, small acknowledgement gifts for the judges, advertising and promotion of the awards, and workshop and catering.

5. Risk and Opportunity Management

Risk	Risk				
Heritage Workshop	Heritage Workshop				
Identify	Mitigation				
Low/high interest	Interest in the leadlighting workshop is unknown at this point, however workshops held in 2016, 2014 and 2012 were in high demand and well attended. There were not enough places for all the people who registered and some were placed on waiting list. The minimum number of participants required for the proposed workshop to proceed is 15. Participation will be prioritised through the following conditions:				
	owner of State or Local Heritage listed place or a Contributory item within the council area				
	order of receipt of registration.				

	Invitations will be sent directly to the following groups in the following order:	
	owners of State and Local Heritage listed places and Contributory items	
	traditional skills persons	
	history groups	
History and Heritage Awards		
No/few nominations are received.	The call for nominations will be advertised through local newspapers and council's website. Letters will be sent to the property owners who have applied for heritage grants in the past three years and also to the local history groups. Some heritage property owners have enquired about the awards and are keen to submit nominations.	

Opportunity	
Identify	Maximising the opportunity
Promotion of local history and heritage	The events provide an opportunity to showcase the Willunga Streetscape project, provide members of the public the opportunity to learn traditional skills, and to acknowledge the efforts of heritage listed property owners, skilled person/s and promoters of history and heritage.

6. Additional information Heritage Workshop

In 2018, the two day community workshop will follow the same successful theme as the 2013, 2014 and 2016 workshops focussing on practical, hands-on experience. The participants will gain understanding of the process of leadlighting by creating small (A4 size) sample pieces. Leadlights are stained glass windows of domestic scale and they can be found in historic houses within the council area, including Sauerbier House and Whitehill Farm on Seaview Road, McLaren Vale. Hands-on style workshops have been very appealing to the community previously and we are confident that there will be high interest.

South Australia's History Festival

The History Festival promotes South Australian history and builds understanding through community events, tours and information sessions. It is presented by the History Trust of South Australia through its broader (mostly volunteer) South Australian history groups and members. The History Trust SA is a statutory authority and reports to Parliament through the Minister for the Arts. It was established under the *History Trust of South Australia Act 1981* to encourage the research and public presentation of South Australian history and to safeguard South **Australia's material heritage.**

City of Onkaparinga History and Heritage Awards Process and timelines

Month	Action
November 2017	 Seek the Council's approval of process, categories and members of judging panel (7 November 2017).
February 2018	 Invitations to nominate for awards sent to community groups and owners of local heritage listed properties (12 February 2018) – refer attachment 1. Advertisements in Onkaparinga News section of Messenger newspapers (February - March 2018).
March 2018	 Nominations received after four weeks of nomination period and collation by staff. Judging of nominations and procurement of plaques.
April 2018	 Endorsement of winners by the Council (late April/early May 2018). Successful nominees contacted.
May 2018	 Presentation ceremony involving all nominees. Announcement of category winners via media release, website, the Onkaparinga News section of the Southern Times and the Hills and Valley Messenger newspapers.

Categories

A. Heritage Places – restoration and conservation (\$1,500)

For outstanding initiative that involved sensitive conservation and restoration of State and Local Heritage listed places and Contributory items within the City of Onkaparinga. This award would be presented to the owners of the property.

B. Heritage Places – additions (\$1,500)

For outstanding initiative in sympathetically designed alterations and addition to State and Local Heritage listed places and Contributory items within the City of Onkaparinga. This award would be presented to the owners of the property.

C. Heritage Places – adaptive reuse (\$1,500)

For projects that involved outstanding innovative adaptive reuse of State and Local Heritage listed places and Contributory items within the City of Onkaparinga, whilst having minimal adverse impact on its cultural heritage significance and setting. This award would be presented to the owners of the property.

D. Traditional Building Skills (\$1,500)

For outstanding application of traditional skills and techniques while undertaking conservation and restoration of a State or Local heritage listed place or a Contributory item within the City of Onkaparinga. This award would

be presented to tradespeople who are applying and promoting traditional skills and techniques in building conservation.

The categories have been changed from Heritage Places, Heritage Stories and Friends of Heritage Places of previous years, to align with works that are currently being undertaken by heritage listed property owners.

During the 2016 judging process, it was acknowledged that there was potential to create further categories to provide opportunity for acknowledgement of various types of works such as additions and adaptive reuse that are undertaken on a heritage listed property.

The Heritage Stories is not proposed to be continued due to limited nominations in 2016, 2014 and 2012.

Judging

The judging panel is proposed to consist of Andrew Stevens, of council's Heritage Advisory Service, and two elected members. Mr Andrew Stevens is experienced in providing advice on architectural and heritage conservation in the City of Onkaparinga and has a considerable knowledge about the history of our city.

Determination of awards

It is proposed that the determination of the awards be through the Council based on the recommendations of the judging panel. This will ensure that the Council has access to information on the nominations and the basis of the awards.

Announcement and presentation of awards

It is proposed that the Mayor would announce and present the awards on 27 May 2018 as part of the History Festival and in conjunction with the two day heritage workshop.

Internal engagement

The Projects, Facility Operations, Community Assets, and Arts and Inclusion teams are being consulted during the organisation phase, and to ensure awareness of the event.

Previous Heritage Workshops and City of Onkaparinga History and Heritage Awards

The topics of the previous Heritage Workshops were:

- 2016: traditional stone masonry
- 2014: dry-stone wall workshop
- 2013: stone masonry and limestone techniques
- 2012: preserving family treasures

Previous winners (2016) of the City of Onkaparinga History and Heritage Awards are:

Category 1 - Heritage Places/items - Dwelling, 45 Grants Gully Road, Clarendon

Category 2 – Traditional Building Skills

Winner 1 – Ken Davies for slate roofing at 3 Peters Terrace, Willunga

Winner 2 – Peter Chapman for slate roofing at 46 High Street, Willunga

Category 3 – Heritage Stories – Alice Kay for book *'Kay Brothers – The First 125 Years'*

Some images from the previous Heritage Workshops and History and Heritage Awards form attachment 2 of this report.

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Attachment 1



City of Onkaparinga History and Heritage Awards 2018 Guidelines and Nomination Form

Nominations close at 5:00 pm on Friday 23 March 2018



Document Set ID: 4091073 Version: 8, Version Date: 12/10/2017

1. Introduction

The City of Onkaparinga is the largest metropolitan council in South Australia. It is located south of Adelaide and has a varied landscape, including the hills and coastal land, rural farmland, suburban blocks, light industrial uses and vineyards.

Our city is rich in both Aboriginal and European heritage. There are six historic conservation areas within the council which contain a concentration of historic buildings in landscape settings that represent the early settlement of the area and the establishment of early ways of life. Built heritage within the City of Onkaparinga comprises of heritage places of state and local significance. There are a total of 487 heritage places, comprising 82 State Heritage listed places, 375 Local Heritage places and 30 Contributory Items within the council area.

We are committed to the conservation of our built heritage and recognise the benefit of a broad approach to heritage conservation, incorporating both statutory protection and voluntary incentive measures. We have, and are continuing to develop, a range of initiatives to assist in the protection of our built heritage. The desired character statements and policy within our <u>Development Plan</u> assist us in maintaining and preserving the historic character of the townships and heritage listed properties.

In addition, other City of Onkaparinga initiatives include:

- a heritage advisory service, which can be accessed by owners of local heritage properties within the City of Onkaparinga
- · heritage grants for conservation work to local heritage buildings
- local heritage inventories
- · workshops on traditional skills and techniques
- · Heritage Conservation Plans for council owned buildings.

The City of Onkaparinga is holding its biennial History and Heritage Awards in 2018. The Awards will recognise outstanding contributions to heritage conservation, education, promotion, interpretation and awareness-raising within the council area. The Awards aim to honour individuals and organisations including but not limited to: heritage property owners, students, schools, community groups, volunteers, and historical and educational organisations. The judging panel will assess the nominations and decide the winners.

2. Strategic Context

Community Plan 2035

Onkaparinga 2035 is our plan for a strong and vibrant city. It builds on the strength of our Community Plan 2035, reflecting our collective aspirations for the future of our places where strong vibrant communities can prosper and grow.

The plan has three themes that will contribute to this vision being realised:

- People
- Place
- Prosperity

Under each theme there are *objectives* and *desired outcomes* that describe what we aspire to achieve by 2035. The following *desired outcomes* relate to conservation of built heritage and associated initiatives.

Our townships and coastal villages, such as Clarendon, McLaren Vale, Willunga and Port Noarlunga, provide unique experiences of local character, heritage value, food, entertainment and culture.

Places of particular importance in local Aboriginal culture are recognised and their cultural significance is respected.

3. Purpose

The key objective of the History and Heritage Awards is to promote and recognise a variety of initiatives within, or associated with, the City of Onkaparinga that have contributed to the promotion, conservation and understanding of our history and heritage.

4. Categories

There are three categories of award:

A. Heritage Places - restoration and conservation

For outstanding project that involved sensitive conservation and restoration of State and Local Heritage listed places and Contributory items in the City of Onkaparinga. This award would be presented to the owners of a State or Local Heritage listed place or Contributory item.

B. Heritage Places - additions

For outstanding project in sympathetically designed alterations and addition to State and Local Heritage listed places and Contributory items in the City of Onkaparinga. This award would be presented to the owners of a State or Local Heritage listed place or Contributory item.

C. Heritage Places - adaptive reuse

For projects that involved outstanding innovative adaptive reuse of State and Local Heritage listed places and Contributory items in the City of Onkaparinga, whilst having minimal impact on its cultural heritage significance and setting. This award would be presented to the owners of a State or Local Heritage listed place or Contributory item.

D. Traditional Building Skills

For outstanding application of traditional skills and techniques while undertaking conservation and restoration of a State or Local Heritage listed place or Contributory item in the City of Onkaparinga. This award is intended for tradespeople who are applying and promoting traditional skills and techniques in building conservation.

5. Criteria

Nominations in each category will be judged against the following criteria:

A. Heritage Places - restoration and conservation

- The conservation/restoration works have enhanced the long-term survival and heritage integrity of the place.
- The works have been undertaken without loss of significant heritage fabric and with the least possible physical intervention.
- The works are compatible with the original building in scale, form and materials.
- The works demonstrate a high quality standard.

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B. Heritage Places - additions

- The additions achieve an excellent balance in being both complementary to the historic building while clearly identifiable as a new or non-historic element.
- The additions are sensitive to the scale, form and materials of the historic building.
- The additions have been undertaken with the least possible intervention to the significant fabric of the existing place.
- · The additions are sympathetic to the existing historic building.
- The additions display excellence in innovation and design with regard to both external appearance and internal spaces.
- The additions demonstrate a commitment to the quality of outcome in terms of aesthetics, design and workmanship.

C. Heritage Places - adaptive reuse

- The adaptation was carried out with minimal impact on significant heritage fabric, layout and setting.
- The adaptation involved minimal impact on the cultural significance of the place and minimal loss of original building.
- The adaptation involved reuse of significant elements of the place in the new use.
- The adaptation incorporates or provides good interpretation of the previous use/s and arrangement of the building or place.
- The adaptation displays excellence in innovation and design with regard to both external appearance and internal spaces.
- The adaptation demonstrates a commitment to the quality of outcome in terms of aesthetics and in design and workmanship.

D. Traditional Building Skills

The tradesperson should demonstrate:

- a high standard in applying traditional building skills
- the ability to successfully execute traditional techniques in a modern context
- that the works have been planned and executed to minimise negative impacts on historic fabric
- that the works have been undertaken in such a way that they are reversible where practical
- that traditional materials and techniques were employed where possible
- that the replacement components match existing components as closely as possible, but on close inspection should be identifiable as new
- an ability to achieve an appropriate aesthetic outcome and appearance while implementing traditional techniques.

6. Conditions of entry

- Nominations for the City of Onkaparinga 2018 History and Heritage Awards are open to the general public, with eligibility restricted to projects and initiatives undertaken within the Council area.
- Nominations can relate to commercial, residential, governmental, public places, including those of not-for-profit bodies.
- iii. Anyone may nominate a place, work or person.
- iv. Any entries involving works that require development approval must have received approval before works were undertaken.

- v. Owner approval is necessary for the nomination of a place to proceed through the awards process. Nominators may acquire approval and provide it with the nomination form, or the council will seek to obtain approval when the nomination is received.
- vi. Projects completed within three (3) years of the nomination date are eligible.
- vii. Entries can only be considered under one category.
- Entries should provide supporting documentation and photographs with the nomination form.
- ix. Late nominations will not be considered.
- Short-listed properties must be available for inspection by the judging panel at a time suitable to all parties.
- xi. The judging panel reserves the right not to select a winning entry or commend an entry in any category.
- xii. The judges' decision is final and no negotiation will be entered into.
- xiii. Each nomination remains the property of the council and the council reserves the right to use information and photographs of nominated projects on publicity material, websites and in media releases.
- xiv. Council shall take no responsibility for the content of the nomination submissions. It is the responsibility of those nominating a building, work or person to ensure that all care has been taken to identify and acknowledge the contribution and work of all relevant parties.
- xv. Entries that do not receive an award are eligible to enter in subsequent years.

7. Awards Ceremony

The winners will be honoured at a ceremony on Sunday 27 May 2018 as part of our Heritage Workshop.

8. Closing date for nominations

Nominations close at 5:00 pm on Friday 23 March 2018.

Nominations can be lodged in person or posted to Divya Bali Dogra at the City of Onkaparinga, PO Box 1, Noarlunga Centre SA 5168 or via email to mail@onkaparinga.sa.gov.au.

9. Further information

Contact Divya Bali Dogra (Built Heritage Planner) on 8384 0552 or divya.balidogra@onkaparinga.sa.gov.au or visit www.onkaparingacity.com/builtheritage

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Nomination Form 2018 History and Heritage Awards

Please complete in block letters (where applicable)

NOMINEE'S	ETAILS					
Name						
Address						
State			Post	Code		
Phone			Email			
CATEGORY E	THE PERSON NAMED IN COLUMN 1					
Heritage Places	restoration	and conserva	tion	Heritage	Places – add	itions and alterations
Traditional Build	ing Skills			Heritage	Places – ada	ptive reuse
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History and Heritage Awards

Document Set ID: 4091073 Version: 8, Version Date: 12/10/2017 November 2017

HERITAGE WORKSHOPS

PRESERVING FAMILY TREASURES 2011



PRESERVING FAMILY TREASURES 2012





WORKSHOP ON STONE MASONRY AND LIMESTONE TECHNIQUES,2013





HERITAGE WORKSHOPS

DRY STONE WALL WORKSHOP,2014 WALL 1



DRY STONE WALL WORKSHOP,2014 WALL 2



WORKSHOP ON STONE MASONRY AND LIMESTONE TECHNIQUES, 2016









HISTORY AND HERITAGE AWARDS

2012Category 1- Heritage Places/Items



Dwelling (former Wesleyan Methodist Church) 2 Luke Road, Clarendon

2014

Category 1- Heritage Places/Items



Dwelling, 32 St Matthews Street, Willunga

Category 2 – Friends of History and Heritage



History Program by National Trust SA at Basset Boys School, Willunga

Category 2 – Friends of History and Heritage



Bob Burnard for Clarendon – Kangarilla Cemetery Historical Record

Category 3 – Heritage Stories



Avenue of Honour, Willunga by National Trust SA

Category 3 – Heritage Stories



Heritage Stone Restorations for Traditional Stone Masonry workshops

HISTORY AND HERITAGE AWARDS

2016Category 1- Heritage Places/Items



Dwelling, 45 Grants Gully Road, Clarendon

Category 2 – Traditional Building Skills Winner 1



Ken Davies for slate roofing at 3 St Peters Terrace, Willunga

Winner 2



Peter Chapman for slate roofing at 46 High Street, Willunga

Category 3 - Heritage Stories



Kay Brothers – The First 125 Years by Alice Kay

9.11 Update Report on the proposal to revocate and dispose of council reserve land at 12 Red Cedar Drive Reynella

This is an update on a previously reported subject, concept or issue.

Manager: Jock Berry, Manager Property and Commercial

Report Author: David Haslam, Senior Property Officer

Contact Number: 8301 7227

Attachments: 1. Aerial Photograph (1 page)

2. Aerial Photograph showing landowners notified on 6

February 2017 (1 page)

3. Copies of three submissions received (3 pages)

1. Purpose

This report outlines the outcomes from the public consultation phase to revoke the community land classification of a council reserve at Reynella and recommends a request be forwarded to the Minister for Planning for consent to revoke the subject land in accordance with the legislative procedure.

2. Recommendations

That for the council owned reserve currently described as Allotment 110 in Deposited Plan 9903, comprised in Certificate of Title Volume 4003 Folio 266 and delineated in red on attachment 1 to the agenda report, Council:

- 1. Notes that three written responses were received as a result of the public consultation process, two objecting to its sale and the third supporting sale.
- 2. Having considered the two objections received, resolves to proceed with the process to revoke the subject land from its community land classification on the basis that:
 - there has been no strategic or operational need identified to justify retention
 - on balance our assessments indicate that the maximum benefit to council and the community may be realised through a sale of the land, which will enable net income to be used for future strategic community projects. On-going savings will also result from the removal of grounds maintenance and risk liability
 - the subject reserve land has residential development on two sides that is fully serviced with existing infrastructure, which represents an ideal opportunity to facilitate residential infill to the benefit of the city as a whole.
- 3. Recommends a request be submitted to the Minister for Planning for approval to revoke the subject land from its community land classification to enable the land to be sold on the open market.
- 4. Notes a final report will be presented to Council once the Minster's decision regarding the proposed revocation has been received, to enable finalisation of the revocation and disposal process.

5. Assigns the net proceeds from the sale of the subject land (if ultimately approved by the Minister and Council) to the Strategic Acquisitions Reserve Fund.

3. Background

In July 2016 we received a letter from a resident at Reynella recommending that Council consider the sale of the reserve at 12 Red Cedar Drive, Reynella (bordered in red on attachment 1 and measuring approximately 1,358 m²) on the basis that it is never used by the public but council continues to maintain the reserve.

At its meeting on 13 December 2016, Council declared 'in principle' that the subject reserve was surplus to requirements and suitable for disposal and approved the commencement of the public consultation phase of the revocation process and that funds be placed into the commercial activity fund.

4. Financial Implications

Consistent with the Council approval of the 13 December 2016 (and if approved by the Minister for Planning), it is proposed that the net proceeds (gross proceeds less revocation and disposal costs) from the sale of the subject land be reassigned to the newly created Strategic Acquisitions Reserve Fund to assist with the purchase of future strategic land acquisitions and other projects.

5. Risk and Opportunity Management

Risk							
Identify	Discussion						
The subject land is not progressed for disposal.	Council manages its land ownership portfolio in an efficient and sustainable manner by continually reviewing its assets and considering disposal options where little or no community benefit is derived from retention of the land.						
	Retaining ownership of this reserve as is, will result in ongoing maintenance costs and public liability being held by Council when there is no strategic or operational requirement for the land to remain in council's ownership.						

Opportunity	
Identify	Maximising the opportunity
	Consistent with all proposed revocations and disposals, the subject land is first assessed against a range of strategic and operational criteria prior to being classified as surplus to council's needs and 'in principle' suitable for disposal.
	In this particular case our strategic land use

The land revocation process is progressed and the land placed on the open market for sale.	assessment indicates that the subject land is not required as a reserve and is surplus to open space requirements. Revocation and disposal of the land is considered preferable to retention to enable net proceeds to be used for in the future for other strategic projects.
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On balance, based on the above, it is recommended that Council proceed with the revocation and disposal process.

6. Additional information

Site

The subject parcel of reserve land was originally rectangular in shape and measured 44.5 metres X 30.48 metres (1,358 m²) and fronts a bitumen service road adjacent Sherriffs Road, Reynella.

Since the original report to Council, and as part of the Red Cedar Drive and Jessamine Avenue road reconstruction works, a vehicle turnaround has been constructed that extends into the subject council land parcel by approximately 3 metres. The turnaround was necessary and was best facilitated at the time and as part of our roadworks, rather than being left as an issue to be negotiated with any potential future purchaser of the subject reserve.

The reserve area will total approximately 1326 m² following the vesting of the turnaround as Public Road, which will be attended to as part of the revocation process and prior to disposal.

Public consultation for revocation

The public consultation process concluded on 3 March 2017, and involved:

- The placement of a notice in the Southern Times Messenger newspaper on 8
 February 2017, outlining relevant details of the proposal, inviting written
 submissions and providing officer contact details
- The erection of a sign on the subject land for the duration of the consultation period, inviting written submissions and providing officer contact details
- The placement of folders at our four Customer Service Centres outlining relevant details of the proposal, inviting written submissions and providing officer contact details
- Letters of explanation being forwarded to the adjacent 87 landowners (refer to aerial photograph location plan as per attachment 2 to this agenda report) inviting written submissions and providing officer contact details
- Publication on the Community Engagement Status Board on our website, outlining relevant details of the proposal, inviting written submissions and providing officer contact details.

Three written responses were received as a result of the consultation process, two objecting to the revocation and sale and one supporting sale. Copies of the responses are included as attachment 3.

A summary of the objections (which were received from the owners of the two adjoining units) follows:

- The reserve attracts birds and provides a feeling of country living, Comment: Whilst all open space provides some form of visual and aesthetic benefit, the subject reserve is a small parcel adjoining a large 20 hectare area of open vacant land (broadcast site).
- Loss of privacy if the land is developed, Comment: Compared to the current situation there may be a feeling that some privacy is removed if development occurs, but this will be no different to the normal considerations as part of any possible future development application.
- Traffic congestion at the end of Red Cedar Drive,
 Comment: this concern is likely to be resolved now that the turnaround has been constructed.
- Concern that high density housing will be developed on the subject land, Comment: The current zoning of the land permits medium density development (two stories) and this may be a possible outcome in the future.
- Concern that residential use next to a radio tower may be detrimental to the health of residents,
 Comment: Whilst these concerns are unproven at this point in time, there are already extensive residential developments surrounding the existing tower.
- One respondent clarified that, should the land be sold, single level housing would be supported but not multiple level.
 Comment: Whilst the current zoning of the land permits medium density development, Council can impose conditions on future development if desired.

Having considered the concerns raised by the two objectors, on balance it would appear that processing the revocation process provides more positive outcomes for the community than not progressing the matter.

The response supporting sale was on the basis that the land is prime real estate and the respondents would be excited to see it developed for housing.

Disposal Options

A report to consider hypothetical development options is to be considered at the time that the third and final approval report to the revocation is considered by Council (assuming receipt of the approval from the Minister for Planning).

Update report on the proposal to revocate and dispose of council reserve land at 12 Red Cedar Drive, Reynella

Attachment 1



Although every effort has been made to ensure the accuracy of the information displayed, the City of Onkaparinga, its agents, officers and employees make no representations, either express or implied, that the information displayed is accurate or fit for any purpose and expressly disclaims all liability for loss or damage arising from reliance upon the information displayed.

Land proposed for revocation and disposal

Attachment 2



Colour aerial images (2001 to present) courtesy of Aerometrex P/L. Monochrome aerial image (1949) courtesy of Department of Environment, Water and Natural Resources

Attachment 3



From: Jill Luscombe < jluscombe62@bigpond.com> on behalf of Jill Luscombe

Sent: Sunday, 26 February 2017 9:41 PM

Subject: To David Haslam re Revocation of Community Land

Dear Mr Haslam,

I am writing to oppose the sale of 12 Red Cedar Drive, Reynella. My property, which is Unit 2/14 Red Cedar Drive, is on the boundary of this community land & my pergola area faces this lovely open space. When maintained properly, it attracts plenty of birds & gives the area a feeling of country living. I purchased my unit in 2010 & this vacant reserve next door was one of the main reasons I chose to purchase the property. If this land is sold on the open market, I believe it will be purchased by a developer, who will squeeze as many double storey units on the land as possible. It is happening all over Adelaide, unfortunately.

My main concerns are loss of privacy & traffic congestion at the end of Red Cedar Drive. This is a very quiet, peaceful neighbourhood which I feel is family friendly & very safe. The thought of having high density housing next door fills me with dread as I live alone & work shifts. I'm sure I'm not the only resident that feels this way.

I found it interesting reading the minutes of your meeting regarding this matter. The minutes stated that only one resident suggested you sell this land. I would like to think that, if there are more than one resident opposing the sale, that this is also taken into consideration.

I am not against progress & extra housing but, as we see time & time again, it shouldn't be at the detriment of ratepayers living in close proximity to the development.

Thank you for taking the time to read this submission.

Yours sincerely

Jillian Luscombe Sent from my iPad

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	Reynella Sibl
David Haslam	20.2.17
City of OnKaparinga	SCANNED Registration
Noarlunga Centre.	SCANNED Registration Date Doc Set ID
Dear Sil,	
REVOCATION OF COMMUNITY LAND.	- Public Comultation:
I am writing in reply to your	letter regarding the
revocation of council reserve	
Cedar Drive, Reynella.	
I wish to advise I am ago	ainst the land being sold
and feel it should remain an	eserve, particularly in more
recent years there have been d	iscussions on whether living
next to a radio tower, such as	
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	2 12 12 2 2 2 2 2 2 2 2 2 2 2 2 2 2
	ours faithfully
	fleato Rougnos
	Doc:38497

David Haslam

From: Sent: Subject: Milan <mbadza@bigpond.net.au> Monday, 13 February 2017 2:39 PM

12 Red Cedar Drive, Reynella

Dear Mr David Haslam,

We have considered the proposal to place the land at 12 Red Cedar Drive, Reynella on the market, and we are happy with the proposal.

We feel that this land has the potential to be a prime piece of real estate, and we would be excited to see a house (or houses) built on that land.

Feel free to place the land on sale. No doubt many potential buyers will take interest in it.

Kindest regards,

The Badza Family (Milan, Katalin and Aleksandar)

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Date Printed: 16 November 2017

9.12 Willunga Golf Course Review update

This is an update on a previously reported subject, concept or issue.

Manager: Anthony Spartalis, Chief Financial Officer

Report Author: Jock Berry, Manager Property and Commercial

Contact Number: 8384 0582

Attachments: 1. WellPlayed City of Onkaparinga report

(73 pages – provided under separate cover)

2. Profit and Loss model (2 pages)

1. Purpose

The Willunga Golf Course Service Review (Stage 1) was presented to Strategic Directions Committee (SDC) on 30 August 2016 for its consideration and approval. It was recommended and approved at this meeting for a second stage of the Service Review (incorporating external professional expertise) be prepared to further explore the Willunga Golf Course as a commercial or community asset, and also reconsider Council's role in the management of the Course.

This report subsequently provides Council with an update and the recommended future service provision following the Service Review, supported by external consultant WellPlayed's detailed report and associated key findings.

2. Recommendations

That Council approve:

- 1. That the Willunga Golf Course land remain in the ownership of the City of Onkaparinga and continue to operate as a golf course.
- 2. That the Willunga Golf Course continue to operate as an 18 hole golf course and not be converted to a 9 hole golf course.
- 3. The implementation of an initial 2 year performance plan including but not limited to:
 - Restructure the management model and renegotiate access rights with the Willunga Golf Club to ensure Council has greater control over operations, revenue growth and increased customer numbers.
 - b. Expand the Willunga Golf Course offering and attract audiences outside the traditional golfer market to support growth in facility use and revenue.
 - c. Increase the Amenities Maintenance to the Course and Facilities over the next two financial years to \$100,000 per annum (16-17 actual \$73,000).
 - d. Form a marketing and promotion committee with nominated individuals from Council, Willunga Golf Club and the Willunga Golf Club Professionals to plan and execute the marketing and promotion of the Course and facilities. Establish a budget of \$50,000 over two financial years.

- e. Develop an improved and visible hospitality offering at the Course.
- f. Connect the Course and its facilities to the local community, other local recreation facilities and tourism opportunities.
- g. Note the projected budget estimate for the next five financial years, based on advice from the consultant WellPlayed, which targets breaking even by year 5;

i. 2018-2019 Income: \$510,000

Expenditure: \$747,000

Loss: -\$237,000 (Council subsidy)

ii. 2019-2020 Income: \$578,000

Expenditure: \$757,000

Loss: -\$179,000 (Council subsidy)

iii. 2020-2021 Income: \$647,500

Expenditure: \$767,000

Loss: -\$119,500 (Council subsidy)

iv. 2021-2022 Income: \$725,000

Expenditure: \$778,500

Loss:-\$53,500 (Council subsidy)

v.2022-2023 Income: \$801,000

Expenditure: \$801,500

Loss:-\$500 (Council subsidy)

- 4. Negotiation with the current Golf Pro Shop Operator a plan with immediate and long term performance targets, with monthly reporting and quarterly reviews. Should the current Operator not meet the agreed performance targets within two years, then Council opens the opportunity to the external market to secure a qualified and experienced Operator.
- 5. That the Strategic Directions Committee be provided with bi-annual updates on actual performance against the key performance benchmarks set with the Golf Course Operator.
- 6. That a site master plan be developed to expand complimentary facilities and services, explore new revenue lines, drive additional visitation and consider accommodation opportunities including retirement living and serviced apartment accommodation to assist the golfing offer.
- 7. Noting that Willunga Golf Course is not a commercial operation and approve that funding be provided via rates from 2018-19 rather than the Commercial Activity Reserve, resulting in an approximately 0.3% rate increase for 2018-19.

3. Background

Costs for providing services and maintaining infrastructure are increasing as are community expectations around service provision. The overall effect is that council is expected to provide a greater range of services while endeavouring to ensure that they are both relevant to the community and are delivered in the most efficient and effective manner possible.

Through the Service Alignment Model, the Willunga Golf Course was prioritised for a service review as it was assessed as having low levels of alignment with council's strategy and high levels of overlap with other services that are provided through the private sector (such as competing golf courses).

The Willunga Golf Course Service Review (Stage 1) was presented to Strategic Directions Committee (SDC) on 30 August 2016 for its consideration and approval. It was recommended and approved at this meeting for a second stage of the Service Review (incorporating external professional expertise) be prepared to further explore the Willunga Golf Course as a commercial or community asset and consider Council's role in the management of the Course.

The Willunga Golf Club was formed in 1973 with the intention to develop a 9 hole course at Waverly Park using land owned by Willunga District Council. In 1991 under the direction of Willunga District Council the course was extended to 18 holes. This development included the development of housing at Waverley Drive.

The City of Onkaparinga came in to ownership of the Willunga Golf Course when the councils amalgamated in 1997. Since that time, the Course and its operation has been the responsibility of the City of Onkaparinga and its operation has been subsidised.

Following research into the appropriate external professional expertise to be utilised, independent golf business consultancy firm "WellPlayed" (the consultants) were appointed. The consultants offered proven experience in the key performance areas of:

- detailed golf industry knowledge with experience in golf facility operations, reviews and strategy development,
- excellent communication and stakeholder management skills, particularly working on golf business projects with local governments.

The consultants have undertaken projects for Councils nationally since 2013 and have developed significant relationships with many local governments and golf facilities. They have also been exposed to many different types of golf course facilities, operating models and performance. WellPlayed have also developed a comprehensive industry network over this time, particularly with the public access golf facility sector.

The consultants have completed their engagement and this report details their key findings, including recommendations in relation to the future service provision.

4. Financial Implications

The Willunga Golf Course is a significant Council asset. It attracts visitors to the area and it ultimately provides benefits for the Willunga township and the surrounding businesses and communities of the McLaren Vale wine region.

The operational cost of the Willunga Golf Course has continued to increase over the past 10 years. The ownership, historic management practices together with legislative constraints (in particular with regard to the recent introduction of water costs for the Course) has led to the course being managed with a current operational deficit. Revenues received have never met the cost of ownership.

The 2011-12 introduction of full cost attribution and the 2014-15 introduction of water costs has resulted in two significant spikes in operational cost.

The operational cost of the Willunga Golf Course is borne by council, noting that this is in part offset by the revenues received. Financial transactions associated with the management of the Willunga Golf Course are administered through council's Commercial Activity Reserve, rather than through general rates and revenue.

Noting the City of Onkaparinga's Commercial Activity Reserves administration procedure and the underlying definition of Commercial Activity (as presented below), the Willunga Golf Course has not proved itself to be viable as a commercial asset in its current and historic operational format i.e. it has never yielded sufficient revenue to offset its operational costs.

Use of the term "commercial" refers to the nature of the activities only. There is no expectation that the operations of all or any of these activities will result in a net income, i.e. a surplus, to Council. The properties involved are not deemed to be held for investment purposes.

The forecast Profit and Loss model provided by WellPlayed, which utilises various assumptions based on current conditions and the golf industry in general (refer Attachment 2 to this report) further demonstrates the Willunga Golf Course will not potentially be in a break even position until after a further five years.

It is therefore appropriate for the Willunga Golf Course to be considered as a community asset rather than a commercial operation, and that funding for the Course be rates funded which is likely to result in an approximately 0.3% rate increase in 2018-19.

5. Risk and Opportunity Management

Risk	Risk									
Identify	Mitigation									
Adverse reaction from existing users and the wider community as a result of price escalation leading to low levels of utilisation	The initial increase to fees and charges at the Course was supported by members, noting that the price point was well below its nearest competitors and consideration of the level of amenity and playability that is available at the Willunga Golf Course when compared to other courses in the immediate vicinity.									
	The price escalation was not only directed at Willunga Golf Club members, the price of green fees (casual usage) at the course has also increased. Members are not keen to incur ongoing significant fee hikes.									
Adverse community response to the proposed developments within the Course as part of any approach to market	It is recommended to explore potential opportunities for related developments through an approach to market through which we would seek development alternative and potential alternative management outcomes acknowledging the important step of community engagement and the associated regulatory approval process should there be									

	demonstrable interest in the project.					
Inherent risk in the changing profile and commercial direction for the Willunga Golf Course, in particular centred around the recommended approach to market	Council will undertake full due diligence in the consideration of responses and directions that may eventuate in conjunction with community engagement, probity and other prudential considerations.					
Current assumptions and financial results not realised	Key risk areas associated with the financial performance of the Willunga Golf Course relate to: • revenue projections largely influenced by utilisation of the course					
	cost inflation greater than anticipated					
	horticultural demands of the Course in response to climatic conditions eg: extreme weather conditions may increase the water demand, similarly, wet weather conditions will increase the need for horticultural management					
	asset failure: a number of the key assets within the Course are aged and will require investment to ensure that they remain serviceable.					
	Financial modelling includes a level of conservatism, based largely on historic usage profiles and other patterns, however this otherwise remains as a risk.					

Opportunity								
Identify	Maximising the opportunity							
Diversification of services leading to increased participation	There are a range of key areas to diversify service offerings within a Golf Course with associated benefits.							
and financial return to the Course	Exploration of potential opportunities for related developments aims to see significant investment in the Course and a complete change in the offering available with the associated benefits.							
Golf Facilities must be market-focused and adapt to stay relevant	Willunga has not adapted its model since opening and is showing declining relevance to the needs of its community, as evidence by declining visitation.							
in today's changing sport, recreation and hospitality market	A marketing and promotion committee will be formed with an appropriate budget to plan and execute marketing and promotion of Willunga Golf Course and its facilities.							

Golf facilities must be customer-focused and need to become friendlier to women, families, younger generations, diverse groups and social golf clubs	The Club's current member profile is not diverse, although is consistent with other golf clubs nationally. A marketing and promotion committee will be formed with an appropriate budget to plan and execute marketing and promotion of Willunga Golf Course and its facilities.
Golf facilities will need to consider <i>new</i> business models to ensure greater facility visitation and revenue diversification, particularly hospitality	Willunga's revenue model is not diversified, with a limited hospitality offer. Restructure the management model and renegotiate access rights with the Willunga Golf Club. Expand the Willunga Golf Course offering and attract audiences outside the traditional golfer market.
Golf facilities will need to actively engage with their local community and	Willunga engages with local people for Club membership, but there is little evidence it actively engages with its local community, beyond offering traditional golf play.
potentially create a community hub	A strategy to connect the local community, other local recreation facilities and tourism opportunities will be developed as part of the initial performance plan.

6. Additional information

Summary of WellPlayed's Key Findings

The City of Onkaparinga provides the Willunga Golf Course for public use, as well as the course being home for the Willunga Golf Club. It is one of five golf courses within the municipality.

The current management model is a familiar model for a Council owned public access golf course, with Council responsible for the maintenance and operation whilst the Club is responsible for the management and administration of the Club, and a Lessee is responsible for the golf operations and the restaurant.

Key observations relating to the current structure are:

- The Course maintenance is currently well coordinated, with maintenance work coordinated around golf play without conflict and the WGC Members have a good understanding of the maintenance processes. With no single party accountable for the effective operation of Willunga other than Council, there remains the risk this effective cooperation will fail.
- The structure lacks clear accountability for marketing and promotion between Council, the Golf Operator and the Golf Club. This leads to poor and sporadic promotion, and inconsistency in the offer for potential customers across golf and hospitality.
- The structure prevents a clear picture of the operations of Willunga as a standalone business, as there is no single set of financial statements nor a consistent and coherent commercial imperative. Key performance information

is retained by the Golf Operator, as there is no obligation under their lease to share this information with Council.

Willunga is used for traditional golf play by both members of the Club (who account for approximately 70% of golf rounds played) and public golfers (who account for the balance of 30% of golf rounds played). Some casual visitors frequent the Golf Pro Shop and Restaurant, but the majority of visitation for these services is derived from golfers. The Club uses the facilities for social functions and events, and some external functions and events are hosted in the Restaurant.

In 2015, the Australian Sport Commission (ASC) undertook a comprehensive review of various research into the role that sport plays in community development (Sport for Community Development). Based on this review, it is evident that sport, and in turn golf, provides valuable recreational participation opportunities which have a positive contribution to not only its participants, but also the wider community.

The members of the Club obtain considerable health and wellbeing benefits from the Course, as do the casual visitors who play each year. This number of casual visitors may be overstated: it is likely there is a higher repeat-play profile amongst casual visitors, given the low profile of Willunga generally and lack of external advertising or promotion, but as no database of customers is retained by the Golf Operator the actual number of casual visitors cannot be verified.

Three key areas of concern arising from current performance have been identified:

- 1. WILLUNGA HAS EXPERIENCED A LONG-TERM DECLINE IN VISITATION
- Golf visitation is made up of players from the Golf Club and public golfers and golf rounds are split roughly 70% in favour of Members.
- There has been a long-term decline in total visitors for golf play. Golf rounds are the primary measure of visitation and have shown a significant decline from FY2012 to FY2017.
- Total visitation at current levels is not sustainable. With a theoretical maximum capacity in excess of 60,000 rounds per annum Willunga is not constrained by its own capacity.
- Member numbers are in decline: Total membership has been around 440 for the last 5 years, however there are a number of members currently on medical leave influencing the "true" number of current members. Of 419 current members, there are 28 members on medical leave.
- The membership is predominantly local to Willunga (73% live within 10km, and 97% live within 20km of Willunga).
- The membership is slightly older than the State average for golf clubs (Club average is 60 yo vs. 55 yo for other golf clubs in the State). 80% of members are men (consistent with national averages).
- Saturday competition times (traditionally the busiest day for member golf play) continue to decline.
- Despite a long-term decline in members playing on Saturdays, there remains minimal golf play from casual visitors on Saturdays due to operational limitations on making tee times available to the public.
- 2. WILLUNGA IS NOT EFFECTIVELY PROMOTED TO POTENTIAL VISITORS

- There is no effective budget for external advertising, a poorly maintained online presence across key platforms, and no direct marketing undertaken for public golf customers (database management).
- Apart from a lack of resources applied to these tasks generally, there is some confusion as to how Willunga is presented to potential customers: in some places the focus is on the Golf Shop, with an emphasis on sale of goods and others the Golf Club, with an emphasis on the sale of memberships.
- Whilst green fees are listed on the website there is no clear message on the experience offered to public golfers.

3. WILLUNGA'S FINANCIAL PERFORMANCE IS NOT SUSTAINABLE

- Willunga continues to sustain financial deficits, with no clear capital investment plan in place to cover future investment needs to sustain the golf infrastructure.
- Willunga's buildings and infrastructure are aged and lack a contemporary food and beverage offer, but remain broadly fit for purpose. The buildings are principally utilised to support the golf experience. Ongoing capital asset renewal is essential for ensuring the future sustainability of a golf course and a long-term capital expenditure plan is required.
- Water expenses are a significant burden on Willunga and will be applied on an ongoing basis. Other Course maintenance expenses are well constrained.
- Willunga is not well diversified: revenue is derived primarily from green fees and membership sales.

Notwithstanding the decline in playing members at golf clubs, golf remains one of **Australia's most** popular participation sports, with the decline in club-based golfers representing a shift away from golf club membership not necessarily representative of a decline in total participation.

Overall golf participation in Australia is made up of approximately 2.1 million people:

- 394,000 club-based golfers,
- around 766,000 "casual" golfers, who are not club members, but who played a round of golf in the last year,
- a further 950,000 people who "swung a golf club" perhaps at a driving range.

Accordingly, whilst a decline in golfers affiliated with golf clubs is of concern, it represents a sub-set of the golfer market. It is important for golf facilities to continue to provide golf experiences for the traditional market, but there is a clear opportunity for golf facilities to be market-focused and provide different golf experiences to target broader audiences and larger markets. Evidence clearly supports the need for golf facilities to offer a fun and social experience, with less emphasis on competitions.

There are four course-based golf clubs within Onkaparinga and each club appears to have varying levels of financial distress. Based on recent financial performance, the golf clubs operating in the north of the Onkaparinga municipality are in financial distress. Each are operating in the same local catchment and providing similar

offerings to the same market segment, and at present, the ongoing long-term viability of each as a separate entity is uncertain.

- Flagstaff Hill have initiated a major development project to change their operating model. If successful, it will ensure their ongoing and long-term viability.
- Blackwood, Thaxted Park and the Vines of Reynella will be considering ways in which to maintain and improve each club's financial performance and position.

There is no other golf course within a circular radius of 10km from Willunga and as such, it is unlikely to be the case that there is an over-supply of golf courses in the Onkaparinga local market. Under-performing golf facilities can indicate a supply imbalance, or can be an indication of poor execution at the impacted facilities.

Given the population of Willunga's catchment is forecast to grow as additional housing is developed, and further golf course development is unlikely, the opportunity exists for Willunga to improve its operational execution and drive additional visitation from the local catchment through better operational execution and promotion. Given the important community benefits delivered by golf courses generally, and the local economic benefit generated by Willunga, a strategy to improve performance needs to be implemented targeting both short and long-term changes.

Closing Willunga for golf would result in loss of current community benefits, particularly for the members who play most frequently at Willunga. Whilst some members may choose to relocate the other golf clubs e.g. the local market golf clubs or Mount Compass Golf Course, there is no dedicated public access golf course in the City of Onkaparinga servicing casual golfers in the local market.

The operational losses sustained at the Course are significant in total amount and the primary users currently are members (who account for over 70% of golf rounds), indicating the effective subsidy exceeds that provided to other recreation assets. Willunga could achieve an annual break-even operating result through restructuring the current management model and enhancing operational performance, along with the introduction of more contemporary hospitality services.

Recommendations for the future are focussed on developing a pathway for a sustainable business model, generating sufficient cash flow to both cover operational expenses and fund capital expenditure. This pathway is based on an initial plan for operational improvement, undertaken concurrently with the development of a Concept Plan for the Willunga site. Once Council has determined its vision for Willunga Golf Course and framed a Concept Plan, it is recommended that Council seek development partners to realise that vision.

Recommendations for enhancing performance are as follows:

- 1. Performance improvement plan including but not limited to:
 - Step 1- restructure the current management model, renegotiate access rights with the Club and increase public golf rounds.
 - Step 2 expand the offer and attract audiences outside the traditional golfer market. Improve connection with the local community.
 - Step 3 monitor performance to key performance benchmarks.

- 2. Develop a site concept plan and seek a development partner (including expanding the scope to include the adjacent bowling club site) including but not limited to:
 - Retain the golf offer yet provide investment in the site for the development of new revenue lines outside the core golfer offer,
 - Explore additional and complimentary facilities and services supported by additional infrastructure (accommodation and hospitality) to drive additional visitation and revenue,
 - Long term commitment to capital expenditure,
 - Improved activation to natural landscape, Wirra Creek, and access,
 - Enhance facilities for the benefit of the local community.

Attachment 1

Provided under separate cover

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Date Printed: 16 November 2017



City of Onkaparinga Forecast P&L model

Version: Current Operator, revised terms

Red items: Lump sum estimates per annum
Blue items: Increased by a % per annum

Business Units	2016/17 YTD Actuals	% change YoY	Year 1	% change YoY	Year 2	% change YoY	Year 3	% change YoY	Year 4	% change YoY	Year 5	% change o
arend Total	216,104		237,580		179,543		119,662		53,659		640	-100%
						1	THE REAL PROPERTY.					1910
11 - Operating Expenditure												
Group: Labour costs	30,239		31,751		33,338		34,005		34,685		35,379	0%
Group: Other costs	41,257		42,818		43,780		44,184		44,596		45,017	0%
971004 - Advertising Willunga Golf Cour	1,638	1732%	30,000	-33%	20,000	-50%	10,000	-100%	0	0%	0	0%
971008 - Irrigation Maintenance	63,626	5%	66,808	0%	66,808	0%	66,808	0%	66,808	0%	66,808	5%
971009 - Amenities Maintenance	72,804	37%	100,000	0%	100,000	0%	100,000	0%	100,000	0%	100,000	37%
971021 - Cleaning Willunga Golf Course	12,436	5%	13,058	0%	13,058	0%	13,058	0%	13,058	0%	13,058	5%
971103 - Turf Maintenance Golf Course	213,367	5%	224,035	5%	235,237	5%	246,999	5%	259,349	5%	272,316	28%
971105 - ETSA Clubhouse W/Shop Irrigati	4,990	5%	5,240	0%	5,240	0%	5,240	0%	5,240	0%	5,240	5%
971106 - ETSA Bore Willunga Golf Course	21,279	-100%	0	0%	0	0%	0	0%	0	0%	0	-100%
971107 - Prof Service Fee Willunga Golf (replaced by commission expense below)	42,744	0%	0	0%	0	0%	0	0%	0	0%	0	-100%
971109 - Plant Maintenance Willunga Gol	24,299	0%	24,299	0%	24,299	0%	24,299	0%	24,299	0%	24,299	0%
971110 - Golf Club Remuneration	26,913	-6%	25,263	8%	27,322	8%	29,549	8%	31,957	8%	34,562	28%
971118 - Water Supply	137,000		150,000		150,000		150,000		150,000		150,000	9%
lew item: Green fees commission to manager (10% of green fees and 5% of membersh	0		33,817		38,101		42,968		48,503		54,801	-
otal 01 - Operating Expenditure	692,592		747,090		757,184		767,111		778,496		801,480	16%
otal 03 - Project Expenses	14,800		0		0		0		0		0	-100%
otal 04 - Project Capital	0		0		0		0		0		0	
9 - Operating Income	1070 5051		10F0 0001		(070 000)		100E 400		10.40 F700			
979101 - Members Fees Willunga Golf Clu	(272,595)		(252,633)		(273,222)		(295,490)		(319,572)		(345,617)	27%
979102 - Green Fees Willunga Golf Club	(183,673)		(211,858)		(244,400)		(281,939)		(325,245)		(375,203)	104%
979203 - Willunga Golf Club - Lease Inc	(24,384)		(24,384)		(24,384)		(24,384)		(24,384)		(24,384)	0%
979204 - Misc Income - Golf Club	(10,636)		(10,636)		(10,636)		(10,636)		(10,636)		(10,636)	100
979205 - Will Golf Crs Bore Water Sales			0		0.00				and the second		0	A.
lew item: Rental return from operator	0				(15,000)		(25,000)		(35,000)		(35,000)	
lew item: Cart access fee	0		(10,000)		(10,000)		(10,000)	=	(10,000)		(10,000)	100
otal 09 - Operating Income	(491,289)		(509,510)		(577,641)		(647,449)		(724,837)		(800,840)	63%
Gol	f revenue (green fe	es & m'ships):	464,491		517,622		577,429		644,817		720,820	
	Commission revenu	e to Operator:	33,817		38,101		42,968		48,503		54,801	
F	Rental costs payable	by Operator:	0		15,000		25,000		35,000		35,000	, a
	Cart fees payable	by Operator:	10,000		10,000		10,000		10,000		10,000	e
	Net funds pal	d to Operator:	23,817		13,101		7,968		3,503		9,801	ь
		for marketing:			20,000		10,000		0		0	r 5
1	Council ongoli	ng loss (gain):	237,580		179,543		119,662		53,659		840	/ P
	Ongoing loss (gal	n) - ax Water:	87,580		29,543		(30,338)		(96,341)		(149,360)	Ь
11 7		s for the year:	25,612		27,528		29,616		31,893		34,380	y
	Member number		352		369		388		407		428	,



Notes:

- This model uses FY17 results as a baseline
- Member numbers based on same growth rate as member revenue, starting with 391 (419 less 28 on medical leave), and allowing for loss of members in year 1
- There is no cart revenue in this, would expect 10 carts would generate around \$70k clear margin (see model below taken into account for Operator), so included a \$10k "cart access fee" payable to Council
- In terms of retail, opportunity limited to around \$5 of retail sales per golfer, which would be expected to generate \$150k of sales, and \$75k of gross margin. This is retained by the Operator.
- Have allowed ongoing \$100k pa. for "Amenities Maintenance" but in the past this has been closer to \$150k (FY17 was \$73k)
- Concept is marketing would shift from Council to Operator over first 3 years, with Operator contract containing clear spend requirement (i.e. Council funds marketing spend from beginning then phased out)
- Marketing is very broad estimate of external spend, Operator would need to have a skillset as this does not cover a professional employee
- Operator would build hospitality business and start paying rent in year 2 per above
- Have not modelled teaching given high input cost (principal beneficiary is the coach)

Green fees model:

Starting with 8,101 rounds in FY17 at an average green fee of \$22.67;

		Yr1		Yr2		Yr3	Yr4	Yr5
Annual increase in rounds:		12.0%		12.0%		12.0%	12.0%	12.0%
Annual increase in price:		3.0%		3.0%		3.0%	3,0%	3.0%
Year end round numbers:		9,073		10,162		11,381	12,747	14,277
Year end avg green fee:	s	23.35	5	24.05	5	24.77	\$ 25.52	\$ 26.28
Green fee revenue:		211,858	\$	244,400	\$	281,939	\$ 325,245	\$ 375,203

Member numbers model:

- Starting with 391 members and \$272,595 membership revenue in FY17, we receive an average of \$697 per member

	Yr1		Yr2	Yr3	Yr4	Yr5	
Annual increase in no. of members:		-10.0%	5.0%		5.0%	5.0%	5.0%
Annual increase in price:		3.0%	3.0%		3.0%	3.0%	3.0%
Year end member numbers:		352	369		388	407	428
Year end member avg price:	\$	718	\$ 739	\$	762	\$ 784	\$ 808
Member revenue:	\$	252,633	\$ 273,222	\$	295,490	\$ 319,572	\$ 345,617

Round numbers calculations:

At the end of 5 years Willunga has 428 members and has 34,000 rounds p.a. = 76 new members and around 6,000 rounds from public.

These golfers are going to come from the local market (note some allowance for loss of members

				CHILIIMOOL			
FY17	Public	Members	Total		Year 1	Year 5	
Rounds	8,101	18,500	26,601 Rounds per FY17 actuals	Fleet	10	10	
Revenue	183,673	272,595		Weekly cost	40	40 per cart	
Fee per round	22.67	14.73		Weekly hires	3	5 per cart (no	o. of rotations, 7 = once per day)
1. 25. 4 St. 1. 20. 0				Hire fee	35	35 per cart	
Year 5	Public	Members	Total	Weekly rev	105	175 per cart	
Rounds	14,277	20,104	34,380	Weekly margin	65	135 per cart	
Revenue	375,203	345,617		Annual (net) return	33,800	70,200 total	
Fee per round	22.67	14.73				F	or Operator desktop P&L below,
Note: Member round	d calculation as	sumes members p	olay same rounds per annum as they curre	ntly do (47 rounds each)		a	ssume carts rotate 3 times per week

Operator "desktop" P&L for F&B:

For Operator desktop P&L below, assume carts rotate 3 times per week in year 1 then 5 times per week in year 5

Call On	enb" rotore	rton"	IRC	bye	F&B:

33,817 76,837	103,141	- Per above - At \$5 per round, 60% GM
		At \$5 per round 60% GM
00 000		- At 40 per round, ou to this
33,800	70,200	- See cart model above
144,455	228,142	
0	(30,000)	
(120,000) 0 (10,000)	(150,000) (35,000) (10,000)	The desktop P&L shows a small return for Golf Operations - but we
		do not allow for rent from the F&B
		operator nor any golf lessons
14,455	3,142	
	0 (120,000) 0 (10,000)	0 (30,000) (120,000) (150,000) 0 (35,000) (10,000) (10,000)

Year 1 Year 5

F&B gross margin 66,503 205,282 - At \$5 per round (yr 1), 50% GM, growing to \$12 per round (yr 5)
66,503 206,282
Less:
Additional labour (50,000) (150,000)
Rent (15,000) (15,000)
1,503 41,282

Notes re Operator deaktop P&L:

- Marketing initially funded by Council but would expect Operator to continue to invest (hence \$30k expense by year 5)
- Labour costs of Golf Shop based on comparison to other facilities (note ER is around \$300k p.a. including café) and allowance increased in model with F&B
- No overhead or Admin costs covered in the Operator P&L

9.13 Appointment of Deputy Mayor

This is a regular or standard report.

Manager: Desma Morris, Manager Governance

Report Author: Therese Brunotte, Senior Governance Officer

Contact Number: 8301 7228
Attachments: 1. Nil

1. Purpose

This report seeks a decision from Council on appointing a deputy Mayor.

2. Recommendation

 That Council appoint Cr...(to be inserted at the meeting)...as Deputy Mayor for the period commencing 12 December 2017 until the conclusion of the November 2018 local government election.

OR

2. That Council not appoint a Deputy Mayor

3. Background

The Local Government Act 1999 (the Act) section 51(3) provides that Council may, if it so chooses, appoint a Deputy Mayor from one of their Council members.

In summary, under the *Local Government Act 1999* section 51 provides that:

- A Deputy Mayor may be chosen from among the members of the Council.
- Council can determine the term of office for the Deputy Mayor. The term must not exceed the Council term, (ie November 2018).
- On expiry of the term of office a Deputy Mayor is eligible to be chosen for a further term.
- In the absence of the Mayor, a Deputy Mayor may act in the office of Mayor.
- An additional allowance is payable to the member appointed as Deputy Mayor.

In addition to the requirements set out above, Council, at its meeting of 18 October 2016 resolved the following, in part:

'the Strategic Directions Committee Chairperson shall be the current Deputy Mayor.'

While the Local Government (Procedures at Meetings) Regulations 2013 do not prohibit the Deputy Mayor from chairing Committee meetings, the Deputy Mayor may decline to take on the role. The Deputy Mayor is not compelled to accept the position of chair of the Strategic Directions Committee.

As set out in Council policy the Deputy Mayor also has a role to play in facilitating EM Sessions and administering the Code of Conduct procedure, when necessary.

If Council does not wish to appoint a Deputy Mayor it may (in accordance with section 51(7) of the Act) choose a member to act in the office of the Mayor during periods of absence.

4. Financial Implications

An additional allowance of approximately \$5,603 per annum will be payable to the member appointed as the deputy Mayor.

5. Risk and Opportunity Management

Appointment of a Deputy Mayor provides continuity for meetings if the Mayor's absence is unscheduled or occurs at short notice.

6. Additional information

A Weekly News item on 10 November alerted all Council members that a report would be presented to the 21 November 2017 Council meeting calling for nominations for a Deputy Mayor.

The Weekly News item encouraged all Council members to consider nominating for Deputy Mayor and outlined the nomination process and optional requirement, as per Council resolution, of providing a two minute verbal presentation at the Council meeting to support their nomination.

Nomination process

In the event that Council chooses to appoint a deputy Mayor the following process will occur:

- The Mayor will call for nominations to appoint a Deputy Mayor.
- If there is more than one nomination a ballot is conducted to determine the outcome.
- Each nominee may give a two minute verbal presentation before the ballot is taken (if required).
- All elected members (including the Mayor) indicate which member(s) they wish to vote for on the ballot paper.
- The method of counting will be 'first pass the post' majority vote.

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If required it is recommended that a short term suspension of meeting proceedings occur to allow for all elected members to participate in the ballot of Chairperson prior to announcement by the Mayor of the successful candidate and formal appointment by Council.

9.14 Strategic Directions Committee membership and meeting structure

This is a regular or standard report.

Manager: Desma Morris, Manager Governance

Report Author: Therese Brunotte, Senior Governance Officer

Contact Number: 8301 7228

Attachments: 1. Strategic Directions Committee Terms of Reference

(7 pages)

1. Purpose

This report proposes the meeting cycle and appointment of Chairperson and Deputy Chairperson of the Strategic Directions Committee for the period from 12 December 2017 until the conclusion of the current term of Council.

2. Recommendations

- The Ordinary meetings of the Strategic Directions Committee continue on the current schedule and be held once a month on a Tuesday; until the conclusion of the November 2018 local government election, with the next meeting being held on 5 December 2017 at 7pm. Noting that meeting cycles and commencement times may vary at the discretion of the Chairperson of the Strategic Directions Committee.
- 2. That Council appoints Cr as Chairperson (if required) and Cr as Deputy Chairperson of the Strategic Directions Committee from 13 December 2017 until the conclusion of the November 2018 local government election. Noting that all elected members are appointed as members of the Strategic Directions Committee until the conclusion of the November 2018 local government general election.
- 3 That the draft Terms of Reference of the Strategic Directions Committee, as attached to the agenda report (attachment 1), be adopted.

3. Background

Council must appoint a strategic planning and development policy committee in accordance with section 101A of the *Development Act 1993*, and under the terms of section 41 of the *Local Government Act 1999*. The Terms of Reference (attachment 1) outline that the Strategic Directions Committee will cover all aspects of a 'Strategic Planning and Development Policy Committee', and detail the purpose and delegations of the Strategic Directions Committee.

4. Financial Implications

An additional allowance of approximately \$5,502 per annum will be payable to the member appointed as Chairperson of the Strategic Directions Committee.

In regard to the Deputy Mayor also serving as the Chairperson of the Strategic Direction Committee, the determination of the Remuneration Tribunal does not contemplate additional allowances being paid for multiple roles that may be held.

5. Risk and Opportunity Management

Risk		
Identify	Mitigation	
An invalid meeting structure may breach legislative requirements	Resolutions of Council and Council's Committees may be challenged if the structure and Terms of Reference are incorrect. The proposed meeting structure complies with the legislative requirements, and the Terms of Reference set out a clear purpose and any delegations for each Committee.	

Opportunity		
Identify	Maximising the opportunity	
Decision making structure	Council appoints a decision making structure to ensure that all issues presented to Council for a decision are given due diligence in consideration via Committees and Council meetings. The implementation of a decision making structure supports Council to make well informed decisions. The decision making structure, including the Terms of Reference for Committees provides a guide to members of the public on how and where decisions are made.	
	The decision making structure provides elected members with the opportunity to participate on selected Committees.	

6. Additional information

As stated in the Terms of Reference: Under 4. Membership

'the role of Chairperson shall be offered to the current Deputy Mayor in the first instance. If the role of Chairperson is not accepted by the Deputy Mayor, a preferential ballot of the elected members be held to determine the Chairperson and consequently the Deputy Chairperson.'

The Terms of Reference will be updated to reflect the new Chairperson and Deputy Chairperson and it is proposed that these are presented to the Committee for noting of the updated memberships at their next available meeting. The Chairperson of each committee may report back to Council on any recommended changes, at any time during the term of the Committee.

Nomination process

The following voting process will occur for the position deputy Chairperson of the Strategic Directions Committee:

• The Mayor will call for nominations to the committee.

- If there are more nominations than positions available a ballot is conducted to determine the outcome.
- All elected members (including the Mayor) indicate which member(s) they wish to vote for on the ballot paper.
- The method of counting will be **'first pass the post' majority vote.**
- The Mayor will then announce the membership positions which will be included in the resolution.

Should the Deputy Mayor not accept the role of Chairperson of the Strategic Directions Committee a call for nominations for this position will follow. If there are more nominations than position available a ballot is conducted to determine the outcome. If required it is recommended that a short term suspension of meeting proceedings occur to allow for all elected members to participate in the ballot of Chairperson.

Attachment 1



Strategic Directions Committee

Terms of Reference

Preamble

A Committee of Council may be established by resolution of the Council.

A Committee is established for the purpose of assisting the Council in the performance of its functions, inquiring into and reporting to the Council on matters within the ambit of the Council's responsibilities, providing advice to the Council and to exercise, perform or discharge delegated powers, functions or duties of the Council

Section 101A of the *Development Act 1993* requires a Council to appoint a strategic planning and development policy committee, with specific functions and responsibilities. Council has established the Strategic Directions Committee to fulfil this role.

The establishment of a Committee does not derogate from the power of the Council to act in a matter.

Specific purpose of the Committee

The Strategic Directions Committee will approve or provide advice to Council on strategic issues and initiatives within the 'Liveable and Connected City', 'Prosperous Economy', 'Vibrant and Resilient Communities' and 'Sustainable Environments' goals of the City of Onkaparinga Community Plan 2035 by:

- (a) Defining the strategic directions for the City of Onkaparinga; specifically by approving and keeping under review key strategic plans, except for the Community Plan and Asset Management Plans.
- (b) Consider and approve strategic plans, policies and procedures as referred by other Council Committees.
- (c) Defining the extent to which Council should give consideration to regional State and Commonwealth objectives and strategies that are relevant to the social, economic, physical and environmental management of the council area.
- (d) Defining the extent to which the council should participate with other councils, State and Commonwealth Governments in setting public policy objectives.
- (e) Defining the appropriate service levels for all council services.
- Receiving community and stakeholder engagement associated with the above items
- (g) Fulfilling the role of the 'Strategic Planning and Development Policy Committee' in accordance with section 101A of the *Development Act 1993*; including undertaking strategic planning and monitoring to achieve:

Terms of Reference for the Strategic Directions Committee

- · Orderly and efficient development within the City.
- High levels of integration of transport and land-use planning.
- · Relevant targets set out in the Planning Strategy within the City.
- The implementation of affordable housing policies set out in the Planning Strategy within the City.
- Other outcomes of a prescribed kind (if any).
- (h) Defining the extent to which Council's strategic planning and development policies accord with the State Government's Planning Strategy including the 30 Year Plan for Greater Adelaide.
- (i) Acting as Council's delegate in relation to strategic planning and development policy issues when the council is preparing:
 - a Strategic Directions Report under section 30 of the Development Act 1993, or
 - a Development Plan Amendment proposal.
- (j) Defining the extent to which Council's strategic planning and development policies accord with the national Urban Policy.
- (k) Matters related to the functions of the Committee may be referred to the Committee by Council or through referral by the Development Assessment Panel and/or staff on policy matters arising from council's functions.
- (I) The Committee will prepare and keep under review an annual work plan and consider business as per the functions of the Committee.
- (m) The Committee will review its performance against these Terms of Reference annually and the results of these reviews will be included in the Committee's Annual Report.
- (n) The Committee may at any time make recommendations to the Council to amend these Terms of Reference when the Committee forms the opinion that such amendments are necessary for the better operation of the Committee in the performance of its role.

2. Delegations

The Committee has delegated authority to:

- Approve documents defining the strategic direction of the City of Onkaparinga; including (but not limited to) plans, policies, frameworks and strategies with the exception of the Community Plan, Asset Management Plans and any Governance Framework defining the decision making structure of the Council.
- Approve alterations to levels of service for a service of the Council.
- Hold public meetings in relation to Development Plan Amendments by the Council pursuant to section 25(11)(b) of the Development Act 1993.
- Consider and act on any representations made in relation to Development Plan Amendments by the Council, pursuant to section 25(11)(c) of the Development Act 1993.
- Consider the assessment and recommendations for funding made by the relevant grant assessment panel and determine the outcome of the following:

- Tier 3 Sponsorship Program
- Community Grants
- Streetscape Grants
- Environment Grants
- Minor Capital Works and Facilities Grants
- Local Heritage Incentive Scheme
- The committee will appoint a panel comprising two committee members, council's heritage advisor and a nominated external member to assess and determine all applications submitted for the History and Heritage Awards
- Seek any information it requires from the CEO in order to perform its duties.
- Form sub-committees of the Committee, as it deems necessary.
- Determine if an item should be considered in confidence.
- Approve minutes as a true and accurate record of proceedings.
- Approve the work plan and annual report of the Committee.
- Provide advice to the Council.

3. Establishment of the Committee

Pursuant to section 41 of the *Local Government Act 1999* the Council establishes a committee to be known as the Strategic Directions Committee (referred to in these Terms of Reference as 'the Committee'). This Committee also fulfils the requirement of Section 101A of the *Development Act 1993*.

4. Membership

The membership of the Committee is comprised of the Mayor and all elected members. All members of the Strategic Directions will hold office for the period 10 December 2014 until the end of the Council term.

That the role of Chairperson shall be offered to the current Deputy Mayor in the first instance. If the role of Chairperson is not accepted by the Deputy Mayor, a preferential ballot of the elected members be held to determine the Chairperson and consequently the Deputy Chairperson.

Members must notify the Chairperson or meeting secretary, as advised on the Notice of Meeting, of non-attendance of a meeting.

Absence, without leave of the Council or committee, for three or more consecutive meetings may result in removal from office by Council resolution.

Members of the Committee may be removed from office by Council resolution at any time.

Section 41 Committees are dissolved at the end of each council term.

Membership of Strategic Directions Committee –10 December 2014 until end of the Council term.

Mayor L Rosenberg	Cr M Bray	Cr S Brown
Cr D Chapman	Cr J Deakin	Cr H Greaves
Cr J Gunn	Cr G Hennessy	Cr R Holtham
Cr W Jamieson	Cr G Kilby	Cr H Merritt

Cr B Nankivell	Cr L Nicholls	Cr G Olbrich
Cr W Olsen	Cr D Parslow	Cr P Schulze
Cr N Swann	Cr M Themeliotis	Cr H Wainwright

5. Chairperson

The Chairperson and Deputy Chairperson are appointed by Council, being:

Chairperson	
Deputy Chairperson	

The role of the Chairperson is to:

- Oversee the orderly conduct of meetings in accordance with the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013 and Council's 'Code of Practice - Proceedings of Meetings'.
- Ensure that the Guiding Principles at Regulation 4 are observed and that all Committee members have an opportunity to participate in discussions in an open and responsible manner.
- Ensure when a matter has been debated significantly and no new information is being discussed to call the meeting to order and move the debate towards finalisation.

The Chairperson of a Committee is not excluded from debate and may add to the debate nearing its end (so as not to 'lead from the Chair'). The Chairperson of a Committee has a deliberative vote and does not have a casting vote.

If the Chairperson of the Committee is absent from a meeting the Deputy Chairperson will preside at that meeting. If both the Chairperson and the Deputy Chairperson of the Committee are absent from a meeting of the Committee then the Mayor, will preside at the meeting until the Chairperson (or Deputy Chairperson, if relevant) is present.

The Committee minutes shall be presented to the next available meeting of Council, including recommendations that require a decision of Council, in the form resolved by the Committee, for consideration of the Council. The Chairperson of a Committee may move the motion of the Committee.

6. Meeting details

The Strategic Directions Committee will meet once a month on a Tuesday in the principal office of Council. The venue, time and date may be altered at the discretion of the chairperson to suit a large public gallery, a specific issue or other extenuating circumstances.

7. Meeting procedures

Meetings of the Strategic Directions Committee will be held in accordance with:

- Local Government Act 1999
- Local Government (Procedures at Meetings) Regulations 2013

- · Council's Code of Practice: Proceedings of Meetings
- Council's Code of Practice: Access to Meetings and Documents 2015 Where these guiding documents are silent, the Committee will consider and determine its own meeting practice, processes and procedures within the parameters of the *Local Government Act 1999*.
- The format of the Strategic Directions Committee should be less structural and formal than a Council meeting. This would then allow more time for a full discussion on the issues being considered by the Strategic Directions Committee.
- That Regulation 20 short term suspension of proceedings be enacted (where appropriate) to allow more time for a full discussion on the issues being considered.

8. Access and documents

A minimum of three clear days' notice of the meeting, accompanied by the agenda, will be provided to Members of the Committee and the public, in accordance with section 87 of the *Local Government Act 1999*.

Minutes will be available within five clear days after a meeting in accordance with section 91 of the *Local Government Act 1999* and will be provided to all Members of the Committee.

Agendas and minutes will be made available, within the above timelines, at www.onkaparingacity.com.

Members of the public are able to attend all meetings of the Committee, unless excluded from the meeting by the confidentiality provisions of section 90 of the *Local Government Act 1999*.

9. Deputations

The Committee Chairperson may allow deputations to appear if it aligns with the business of the Committee or is referred by the Council.

A deputation must not exceed ten minutes except with the consent of the Committee.

10. Petitions

All petitions must be received by Council. However, the Council may refer a matter arising from a petition to the Strategic Directions Committee for consideration.

11. Conduct and Interests of Committee Members

All Members of the Committee must comply with the Code of Conduct for Council Members and chapter 5 part 4 of the *Local Government Act 1999* relating to Conduct and Disclosure of Interests.

Date Printed: 16 November 2017

12. Role of Administration

The Responsible Officer for the Strategic Directions Committee will be the Director Corporate and City Services (with Director Finance and Commercial as proxy officer).

Staff will attend meetings as required and are responsible to provide advice and recommendations to the Committee.

13. Liability and Insurance

Council is required to adequately insure all elected members in accordance with section 80 of the *Local Government Act 1999*.

Elected members are covered under the following Council insurance policies on a 24 hour basis, while performing and discharging the functions and duties of their office.

Personal Accident Insurance

Elected members (and accompanying spouses) are provided with benefits to cover out of pocket expenses should they sustain bodily injury whilst engaged in any activity directly connected with, or on behalf of Council.

Public Liability / Professional Indemnity

Public liability and professional indemnity insurance covers elected members against negligence claims in relation to professional advice and service providing individuals. Elected members are covered only in connection with their role as elected members. Coverage does not include criminal prosecution, nor a wide range of potential liabilities under civil law.

Personal Effects

Council provides coverage for damage to elected members personal effects whilst engaged in any activity directly or indirectly connected with, or on behalf of Council.

14. Terms of Reference approval

Responsible officers/department:	Director Corporate and City Services Manager Governance
Adopted by:	Council
Adoption date:	Adopted by Council 13 December 2016
Next review:	By December 2017
Date(s) of previous review(s):	Endorsed by Council - 20 March 2012. Altered by Committee - 10 April 2012. Approved by Council - 17 April 2012.

Approved by Council - 9 December 2014.
Altered by Committee – 2 February 2016.
Adopted by Council 22 March 2016.
Adopted by Council 13 December 2016.
Altered by Committee adopted by Council 24 January 2017.
2131165 – 20 March 2012
2131164 – 10 April 2012
2131166 – 17 April 2012
2399023 – 30 April 2013
2935532 – 9 December 2014
3332820 - 1 December 2015
3332820 – 1 December 2015 3795389 – 13 December 2016

Date Printed: 16 November 2017

9.15 Council and Committee meeting structure 2018

This is a regular or standard report.

Manager: Desma Morris, Manager Governance

Report Author: Therese Brunotte, Senior Governance Officer

Contact Number: 8301 7228

Attachments: 1. Audit, Risk, Value and Efficiency Committee Terms

of Reference (9 pages)

2. Civic Awards Committee Terms of Reference (5 pages)

1. Purpose

This report proposes a decision making structure and frequency for the Council meetings and following Council Committee meetings:

- Audit, Risk, Value Efficiency Committee
- Chief Executive Officer Performance Management Committee
- Civic Awards Committee

for the period from 12 December 2017 until the conclusion of the current term of Council.

2. Recommendations

- 1. That Ordinary meetings of the Council continue on the current schedule and be held once a month on a Tuesday, noting that meeting cycles may vary, at the discretion of the Chief Executive Officer, in response to the Christmas and Easter public holidays.
- 2. That Council meetings be held in the Council Chamber, Civic Centre and Council Offices, Ramsay Place, Noarlunga Centre.

Audit, Risk, Value and Efficiency Committee

- 3 The Ordinary meetings of the Audit, Risk, Value and Efficiency Committee continues on the current schedule and be held on every sixth Monday, until the conclusion of the November 2018 local government election, with the first meeting of the new membership being held on12 February 2018. Noting that meeting cycles and commencement times may vary at the discretion of the Chairperson of the Audit, Risk, Value and Efficiency Committee.
- 4. That the following elected members be appointed to the Audit, Risk, Value and Efficiency Committee from 13 December 2017 until the conclusion of the November 2018 local government general election.
 - Mayor Rosenberg (as per the draft Terms of Reference)
 - Councillor
 - Councillor
 - Councillor as a proxy member of the Audit, Risk, Value and Efficiency Committee.

Noting that the independent members Mr David Powell and Ms Madeleine Vezis are appointed until 31 December 2020 and 30 June 2019 respectively.

5. That the draft Terms of Reference of the Audit, Risk, Value and Efficiency Committee, as attached to the agenda (attachment 2), be adopted.

Chief Executive Officer Performance Management Committee

- 6. The Ordinary meetings of the Chief Executive Officer Performance Management Committee continue on the current schedule and be held at a time to be scheduled by the Committee, noting that all existing members of the Chief Executive Officer Performance Management Committee are appointed until the conclusion of the November 2018 local government election.
- 7. That Council note that the current Terms of Reference of the Chief Executive Officer Performance Management Committee were adopted by Council on 15 August 2017.

Civic Awards Committee

- 8. The Ordinary meetings of the Civic Awards Committee continue on the current schedule with the next meeting to be held 18 December 2017, noting that meeting cycles and commencement times may vary at the discretion of the Chairperson of the Civic Awards Committee.
- 9. That the following three members be appointed to the Civic Awards Committee from 12 December 2017 until the conclusion of the November 2018 local government election:
 - Mayor Rosenberg, Chairperson (as per the draft Terms of Reference)
 - Councillor
 - Councillor
 - Councillor
- 11. That the draft Terms of Reference of the Civic Awards Committee, as attached to the agenda (attachment 3), be adopted.

3. Background

Council at its first meeting of the new term on 9 December 2014 established a decision making structure. The current membership of **Council's committees is** due to expire on 12 December 2017. The membership of Strategic Directions Committee has been established until the end of the council term in November 2018.

It is proposed that the current meetings cycle continue until the conclusion of the November 2018 local government election.

4. Financial Implications

The financial implications of the Council, Committee, Workshop and Briefing structure are included in existing budgets.

5. Risk and Opportunity Management

Risk		
Identify	Mitigation	
An invalid meeting structure may breach legislative requirements	Resolutions of Council and Council's Committees may be challenged if the structure and Terms of Reference are incorrect. The proposed meeting structure complies with the legislative requirements, and the Terms of Reference set out a clear purpose and any delegations for each Committee.	

Opportunity		
Identify	Maximising the opportunity	
Decision making structure	Council appoints a decision making structure to ensure that all issues presented to Council for a decision are given due diligence in consideration via Committees and Council meetings. The implementation of a decision making structure supports Council to make well informed decisions. The decision making structure, including the Terms of Reference for Committees provides a guide to members of the public on how and where decisions are made.	
	The decision making structure provides elected members with the opportunity to participate on selected Committees.	

6. Additional information

Ordinary Council meetings

Section 81 of the *Local Government Act 1999* sets out the requirements for ordinary meetings of Council. In summary these are:

- ordinary meetings are held at times and places resolved by Council
- there must be at least one ordinary meeting of Council in each calendar month
- the Chief Executive Officer must appoint the time and place for the first ordinary meeting after a general election of the Council
- metropolitan councils cannot meet before 5pm unless resolved otherwise by a unanimous resolution of all members of Council
- ordinary meetings cannot be held on Sundays or public holidays.

Council's meetings are proposed to be held in the Council Chamber, Civic Centre and Council offices, Ramsay Place, Noarlunga Centre once a month on a Tuesday commencing at 7pm. The first recommendation provides for this practice to continue.

Establishment of Council Committees

Section 41 of the *Local Government Act 1999* allows a Council to establish committees to assist it in the performance of its functions. The establishment of a committee does not derogate from the power of Council to act on a matter.

Committees present an opportunity to address issues in a more interactive way without the formality of Council meetings. Used strategically, committees can enable issues to be scoped and considered collaboratively by elected members, the community and staff.

Appointment of an Audit, Risk, Value and Efficiency Committee

Council must appoint an Audit Committee in accordance with Section 126 of the *Local Government Act 1999*, and under the terms of section 41 of the *Local Government Act 1999*. The draft Terms of Reference (attachment 2) outlines the specific purpose of the Audit, Risk, Value and Efficiency Committee.

The Terms of Reference were reviewed by the Audit, Risk, Value and Efficiency Committee at its meeting of 30 October 2017. Should Council adopt the changes as recommend by the Audit, Risk, Value and Efficiency Committee at item 8.1 of this agenda the Terms of Reference and recommendation 4 of this report will be updated accordingly.

Chief Executive Officer Performance and Review Committee

The Chief Executive Officer's (CEO) contract of employment requires this Committee to be established. The Terms of Reference outline the specific purpose of this Committee.

The Terms of Reference for this Committee were reviewed by the Committee at its meeting of 25 July 2017 and adopted by Council at the meeting of 15 August 2017.

Civic Awards Committee

This Committee is to consider Australia Day Awards and Community Civic Award nominations and determine the recipients. The Terms of Reference (attachment 3) outline the specific purpose of this Committee.

Mayor as ex-officio and quorums

Section 41 (6) of the Local Government Act 1999 states:

'The Council may appoint the principal member of the Council as an ex officio member of a committee (but in such a case the principal member will not be taken to be included in the membership of the committee unless actually present at a meeting of the committee).'

This means that if the Mayor is in attendance (as ex-officio) he/she is counted in the quorum.

The quorum for a Council or Council committee is ascertained by dividing the total number of members in office (that is, members of Council or members of the Committee) by two, ignoring any fraction resulting from the division and adding one.

Elected Member Sessions – Workshops or Information sessions

As per Council's Code of Practice – Proceedings of Meetings, Elected Member Sessions are arranged as necessary by the Chief Executive Officer on a variety of topics relevant to the business of Council.

Elected Member sessions are not a decision making forum but rather an opportunity for members to obtain more detailed information than is possible in a formal meeting.

As required by legislation, Council adopted an Informal Gatherings Policy on 21 March 2017, which sets out the requirements for holding Elected Member Sessions.

Terms of reference

The draft Terms of Reference for the Audit, Risk, Value and Efficiency Committee and Civic Awards Committee are shown in attachments 1 and 2 and it is proposed that these are presented to the relevant Committee for noting of the updated memberships at their next available meeting. The Chairperson of each committee may report back to Council on any recommended changes, at any time during the term of the Committee.

Nomination process

The following voting process will occur for membership positions of the committees:

- The Mayor will call for nominations to the relevant committee.
- If there are more nominations than positions available a ballot is conducted to determine the outcome.
- All elected members (including the Mayor) indicate which member(s) they wish to vote for on the ballot paper.
- The method of counting will be 'first pass the post' majority vote.
- The Mayor will then announce the membership positions which will be included in the resolution.

Attachment 1



Audit, Risk, Value and Efficiency Committee

Terms of Reference

Preamble

A Committee of Council may be established by resolution of the Council.

A Committee is established for the purpose of assisting Council in the performance of its functions, inquiring into and reporting to Council on matters within the ambit of Council's responsibilities, providing advice to Council and to exercise, perform or discharge delegated powers, functions or duties of the Council.

Section 126 of the *Local Government Act 1999* requires Council to appoint an audit committee, with specific functions and responsibilities. Council has established the Audit, Risk, Value and Efficiency Committee to fulfil this role.

The establishment of a Committee does not derogate from the power of the Council to act in a matter.

1. Specific purpose of the Committee

The Audit, Risk, Value and Efficiency Committee aims to provide advice to Council on its financial reporting and sustainability, internal controls and risk management systems, whistle blowing, internal and external audit by:

Financial Reporting and Sustainability

- Reviewing Council's annual financial statements to ensure that they present fairly the state of affairs of the Council.
- Reviewing the format of budgets and actual financial performance information reported to Council to ensure they comply with accounting regulations and include key financial sustainability information.
- Reviewing the annual business plan of the Council.
- Reviewing the appropriateness of Council's strategic financial decision making models and processes to ensuring consistency between strategic management plans and their impact on Council's ongoing financial sustainability.
- Reviewing Council's key financial policies.
- Reviewing procedures and policy methodologies regarding asset values and depreciation rates.

Internal Controls and Risk Management Systems

- Reviewing the risk profile of the City of Onkaparinga and monitoring risk exposures.
- Reviewing risk management processes and management information systems using best practice and industry models.
- Reviewing the adequacy of systems of control in relation to conflicts of interest and related work standards and practices.

Whistle Blowing

- Reviewing Council's Whistleblower Protection policy, procedures and processes to ensure they are effective.
- Providing recommendations to Council regarding the Whistleblowers Protection policy and procedures, ensuring that:
 - options are available for its employees to raise concerns in confidence about possible wrongdoing in financial reporting and other matters
 - it allows independent investigation of such matters and appropriate follow up action.

Internal Audit

- Reviewing the provision of internal audit services, including the independence of the function from internal operations of the council, along with the adequacy of resource levels and the scope of its services and authority.
- Reviewing the adequacy and appropriateness of the internal audit charter and work plan and contribute directly to its development considering the following matters:
 - · the organisation's risk profile
 - internal controls over significant risks, including non-financial management control systems
 - internal controls over revenue, expenditure, assets and liabilities
 - the efficiency, effectiveness and economy of significant Council programs and activities
 - compliance with regulations, policies, procedures, executive standards, instructions and contractual arrangements
 - Council's strategic management plans and the annual business plan.
- Reviewing internal audit reports and monitoring the implementation by management of recommendations made.
- Where appropriate and at least annually, meeting the internal auditor without management being present to discuss any issues arising from the internal audits carried out.

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External Audit

- Liaising with Council's external auditor with respect to any audit
 qualifications, comments or recommendations made with respect to the
 annual audit process and assessing the appropriateness of council's
 response to those matters. Meeting formally, in camera, with the external
 auditor, at least annually.
- Reviewing external audit findings and monitoring the implementation by management of recommendations made.
- Overseeing council's relationship with the external auditor, including but not limited to:
 - reviewing and recommending for endorsement by Council the appointment, reappointment and removal of the external auditor ensuring that the arrangements comply with legislation
 - recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted
 - recommending the approval of the external auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit
 - assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services
 - satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the external auditor and Council (other than in the ordinary course of business)
 - monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners
 - assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process.

Value and Efficiency

- Reviewing assessments of council's services/programs/processes targeting
 the efficiency and effectiveness with which Council manages its resources to
 achieve its objectives and any subsequent re-engineering
 recommendations.
- Reviewing benchmarking of council's service delivery against other councils and other industries.
- Reviewing the appropriateness of identified corporate performance targets and measures to assist in the delivery of the objectives detailed in the Community Plan.

Miscellaneous

Reviewing any internal or external audit report that raises significant issues
on risk management, internal control, financial reporting and other
accountability or governance issues, and any other matters relevant to these
terms of reference. Review management's response to, and actions taken
as a result of issues raised.

- Addressing issues brought to the attention of the Committee, including responding to requests from Council and the Chief Executive Officer for advice that are within the parameters of these Terms of Reference.
- The Audit, Risk, Value and Efficiency Committee will prepare and keep under review an annual work plan and consider business as per the functions of the Committee.
- The Committee will prepare an annual report to Council on its activities.
- The Committee will review its performance against these Terms of Reference annually and the results of these reviews will be included in the Committee's Annual Report.
- The Committee may at any time make recommendations to the Council to amend these Terms of Reference when the Committee forms the opinion that such amendments are necessary for the better operation of the Committee in the performance of its role.
- Matters related to the functions of the Committee may be referred to the Committee by Council.
- Providing feedback to Council on the effects of proposed legislative change effecting the Audit, Risk, Value and Efficiency Committee.

Other Local Government Act responsibilities

The Committee may propose investigations and reviews in accordance with section 130A 'Other Investigations' of the *Local Government Act 1999*.

2. Delegations

The Committee has delegated authority to:

- seek any information it requires from the Chief Executive Officer in order to perform its duties
- · form sub-committees of the Committee, as it deems necessary
- · determine if an item should be considered in confidence
- approve minutes as a true and accurate record of proceedings
- approve the work plan and annual report of the Committee
- provide advice to Council.

3. Establishment of the Committee

Pursuant to sections 126 and 41 of the *Local Government Act 1999* the Council establishes a committee to be known as the Audit, Risk, Value and Efficiency Committee (referred to in these Terms of Reference as 'the Committee').

4. Membership

The Local Government (Financial Management) Regulations 2011 requires that Council's Audit Committee must:

- · have between 3 and 5 members (inclusive)
- include at least 1 person who is not a member of Council and who is determined by the Council to have financial experience relevant to the functions of an audit committee

 not include the Council's auditor as a member (section 128 of the Local Government Act 1999).

Membership of the Committee comprises twothree (32) elected members and two-three(23) independent representatives of which one is appointed by Council as the Chairperson. The independent members of the Committee will have, in the opinion of Council, relevant experience and knowledge.

The Committee will have a proxy member for the elected members. In the event that an elected member is unavailable, they may request the proxy member to attend a specific meeting on their behalf.

Members must notify the Chairperson <u>er and</u> meeting secretary of non-attendance of a meeting.

The proxy member may attend meetings of the Committee but has no voting entitlement unless representing an absent elected member.

The Chairperson may approve participation by an independent member in a committee meeting via electronic means under extraordinary circumstance. A quorum must be present prior to approval.

All elected members may participate in occasional Committee meetings and workshops at the invitation of the Chairperson. Elected members who are not members of the Committee have no voting entitlements.

Elected members of the Audit, Risk, Value and Efficiency Committee will hold office for the period of 13 December 2016-2017 until the conclusion of the November 2018 local government election to the last Council meeting 2017.

The independent members will each be appointed for four (4) years, such that:

- the presiding member's term of office commences at the mid-point of the Council term
- the second independent member's term of office commences on 1 July in the year following the Council election
- interim arrangements be put in place to facilitate the above such that the second independent member's initial appointment will be for the term of 1 March 2017 to 30 June 2019.

The Independent Members of the Committee will be paid an allowance in the form of a sitting fee <u>for each meeting attended</u> as set by Council resolution. Absence, without leave of Council or the committee, for three or more consecutive meetings may result in removal from office by Council resolution.

Members of the Committee may be removed from office by Council resolution at any time

Membership of Audit, Risk Value and Efficiency Committee

Elected Members	Independent Members	
Mayor Rosenberg	Mr David Powell, Chairperson (appointed 1 January 2017 until 31 December 2020)	
Councillor Deakin	Madeleine Vezis appointed until 30 June 2019	

Date Printed: 16 November 2017

Councillor Gunn	

5. Chairperson

The Chairperson is appointed by Council, being:

Chairperson	Mr David Powell	
11.00	V	

The role of the Chairperson is to:

- Oversee the orderly conduct of meetings in accordance with the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013 and the Council 'Code of Practice - Proceedings of Meetings'.
- Ensure that the Guiding Principles at Regulation 4 are observed and that all Committee members have an opportunity to participate in discussions in an open and responsible manner.
- Ensure when a matter has been debated significantly and no new information is being discussed to call the meeting to order and move the debate towards finalisation.
- Meet with Council on an annual basis to present the Committee's annual report and answer any questions relating to the function and activities of the Committee.

The Chairperson of a Committee is not excluded from debate and may add to the debate nearing its end (so as not to 'lead from the Chair'). The Chairperson of a Committee has a deliberative vote and does not have a casting vote.

If the Chairperson of the Committee is absent from a meeting, an interim Chairperson will be appointed from amongst the members present, with preference given to this being another independent member and will preside at that meeting.

The Committee minutes shall be presented to the next available meeting of Council, including recommendations that require a decision of Council, in the form resolved by the Committee, for consideration of the Council. The Chairperson of a Committee may move the motion of the Committee.

Meeting details

The Audit, Risk, Value and Efficiency Committee will meet every six weeks on a Monday at 10am in the principal office of Council. The venue, time and date may be altered at the discretion of the chairperson to suit a large public gallery, a specific issue or other extenuating circumstances.

7. Meeting Procedures

Meetings of the Audit, Risk, Value and Efficiency Committee will be held in accordance with:

- 1. Local Government Act 1999
- 2. Local Government (Procedures at Meetings) Regulations 2013
- 3. Council's Code of Practice: Proceedings of Meetings
- 4. Council's Code of Practice: Access to Meetings and Documents 2015

Where these guiding documents are silent, the Committee will consider and determine its own meeting practice, processes and procedures within the parameters of the *Local Government Act 1999*.

8. Access and Documents

A minimum of three clear days' notice of the meeting, accompanied by the agenda, will be provided to members of the Committee and the public, in accordance with section 87 of the *Local Government Act 1999*.

Minutes will be available within five days after a meeting in accordance with section 91 of the *Local Government Act 1999* and will be provided to all members of the Audit, Risk, Value and Efficiency Committee.

Agendas and minutes will be made available, within the above timelines, at www.onkaparingacity.com.

Members of the public are able to attend all meetings of the Committee, unless excluded from the meeting by the confidentiality provisions of section 90 of the *Local Government Act 1999*.

9. Deputations

The Committee Chairperson may allow deputations to appear if they align with the business of the Committee or are referred by the Council.

A deputation must not exceed ten minutes except with the consent of the Committee.

10. Petitions

All petitions must be received by Council. However, Council may refer a matter arising from a petition to the Audit, Risk, Value and Efficiency Committee for consideration.

11. Conduct and Interests of Committee Members

All members of the Committee must comply with the Code of Conduct for Council Members and chapter 5 part 4 of the *Local Government Act 1999* relating to Conduct and Disclosure of Interests.

12. Role of Administration

The Responsible Officer for the Audit, Risk, Value and Efficiency Committee will be the Director Finance and Commercial Director Corporate and City

Terms of Reference for Audit, Risk, Value and Efficiency Committee DSID

<u>Services</u> (with <u>Director Corporate and City Services Chief Financial Officer</u> as proxy officer).

Staff will attend meetings as required and are responsible to provide advice and recommendations to the Committee.

The Committee shall establish and maintain a close working relationship with the Responsible Officer to ensure that management has implemented operational internal controls and risk management systems.

13. Liability and Insurance

Council is required to adequately insure all elected members in accordance with section 80 of the *Local Government Act 1999*.

Committee members are covered under the following Council insurance policies on a 24 hour basis, while performing and discharging the functions and duties of their office.

Personal Accident Insurance

Committee members (and accompanying spouses) are provided with benefits to cover out of pocket expenses should they sustain bodily injury whilst engaged in any activity directly connected with, or on behalf of the Committee.

Public Liability / Professional Indemnity

Public liability and professional indemnity insurance covers Committee members against negligence claims in relation to professional advice and service-providing individuals. Committee members are covered only in connection with their role as Committee members. Coverage does not include criminal prosecution, nor a wide range of potential liabilities under civil law.

Personal Effects

Council provides coverage for damage to committee members personal effects whilst engaged in any activity directly or indirectly connected with, or on behalf of the Committee.

14. Terms of Reference approval

Responsible officers/departments:	Director Corporate and City Services Manager Governance
Adopted by:	Council
Adoption date:	Adopted by Council 13 December 2016
Next review:	By December 2017

	Adopted by Council – 20 March 2012
	Altered by Committee - 18 June 2012
	Adopted Council – 10 July 2012
Dates of previous reviews:	Adopted by Council - 9 December 2014
	Adopted by Council - 1 December 2015
	Adopted by Council - 13 December 2016
	Amended by Committee – 13 February 2017
	2131177 – 20 March 2012
	2380775 – 18 June 2012
ECM DSID:	2380766 – 10 July 2012
	2398727 – 30 April 2013
	3787238 - 13 December 2016
	3923674 – 13 February 2017



Attachment 2



Civic Awards Committee

Terms of Reference

Preamble

A Committee of Council may be established by resolution of the Council.

A Committee is established for the purpose of assisting the Council in the performance of its functions, inquiring into and reporting to the Council on matters within the ambit of the Council's responsibilities, providing advice to the Council and to exercise, perform or discharge delegated powers, functions or duties of the Council.

The establishment of a Committee does not derogate from the power of the Council to act in a matter.

1. Specific purpose of the Committee

The Civic Awards Committee (the Committee) will consider applications and determine the recipients of City of Onkaparinga's Australia Day Awards and Community Civic Awards.

- (a) In accordance with the guidelines provided by the National Australia Day Council and the City of Onkaparinga's Award policy.
- (b) The Committee may at any time make recommendations to the Council to amend these Terms of Reference when the Committee forms the opinion that such amendments are necessary for the better operation of the Committee in the performance of its role.
- (c) Matters related to the functions of the Committee may be referred to the Committee by Council.

2. Delegations

The Committee has delegated authority to:

- determine the recipients of City of Onkaparinga's Australia Day Awards and Community Civic Awards
- · seek any information it requires from the CEO in order to perform its duties

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- form sub-committees of the Committee, as it deems necessary
- · determine if an item should be considered in confidence
- approve minutes as a true and accurate record of proceedings
- approve the work plan and annual report of the Committee
- · provide advice to the Council.

Terms of Reference for the Civic Awards Committee

3. Establishment of the Committee

Pursuant to Section 41 of the *Local Government Act 1999* the Council establishes a committee to be known as the Civic Awards Committee (referred to in these Terms of Reference as 'the Committee').

4. Membership

The membership of the Civic Awards Committee will comprise of:

- · the Mayor as Chairperson
- · up to three elected members
- up to three community members.

All elected members may participate in occasional Committee meetings and workshops at the invitation of the Chairperson. Elected members who are not members of the Committee have no voting entitlements.

All members of the Committee will hold office for the period 13 December 2017 until the conclusion of the November 2018 local government election. Members must notify the Chairperson or meeting secretary, as advised on the Notice of Meeting, of non-attendance of a meeting.

Absence, without leave of the Council or committee, for three or more consecutive meetings may result in removal from office by Council resolution.

Members of the Committee may be removed from office by Council resolution at any time.

Section 41 Committees are dissolved at the end of each council term.

Membership of the Civic Awards Committee - for the period 13 December 2017 until the conclusion of the November 2018 local government election.

Mayor Rosenberg		

5. Chairperson

The Chairperson and Deputy Chairperson are appointed by Council, those being:

Chairperson	Mayor Rosenberg	
Deputy Chairperson		

The role of the Chairperson is to:

- oversee the orderly conduct of meetings in accordance with the Local Government Act 1999, the Local Government (Procedures at Meetings) Regulations 2013 and the Council 'Code of Practice - Proceedings of Meetings'.
- ensure, in particular, that the Guiding Principles at Regulation 4 are observed and that all Committee members have an opportunity to participate in discussions in an open and responsible manner.

 ensure when a matter has been debated significantly and no new information is being discussed to call the meeting to order and move the debate towards finalisation.

The Chairperson of a Committee is not excluded from debate and may add to the debate nearing its end (so as not to 'lead from the Chair'). The Chairperson of a Committee has a deliberative vote and does not have a casting vote.

If the Chairperson of the Committee is absent from a meeting the Deputy Chairperson will preside at that meeting. If both the Chairperson and the Deputy Chairperson of the Committee are absent from a meeting of the Committee then the Mayor, will preside at the meeting until the Chairperson (or Deputy Chairperson, if relevant) is present.

The Committee minutes shall be presented to the next available meeting of Council, including recommendations that require a decision of Council, in the form resolved by the Committee, for consideration of the Council. The Chairperson of a Committee may move the motion of the Committee.

6. Meeting details

The Civic Awards Committee will meet at a time negotiated with the Committee members, at the principal office of Council. Any additional meetings required will be at the discretion of the Committee.

7. Meeting procedures

Meetings of the Committee will be held in accordance with:

- Local Government Act 1999
- Local Government (Procedures at Meetings) Regulations 2013
- Council's Code of Practice: Proceedings of Meetings
- Council's Code of Practice: Access to Meetings and Documents 2011.

Where these guiding documents are silent, the Committee will consider and determine its own meeting practice, processes and procedures within the parameters of the *Local Government Act 1999*.

8. Access and documents

A minimum of three clear days' notice of the meeting, accompanied by the agenda, will be provided to members of the Committee and the public, in accordance with section 87 of the *Local Government Act 1999*.

Minutes will be available within five days after a meeting in accordance with section 91 of the *Local Government Act 1999* and will be provided to all members of the Committee.

Agendas and minutes will be made available, within the timelines above, at www.onkaparingacity.com.

Members of the public are able to attend all meetings of the Committee, unless excluded from the meeting by the confidentiality provisions of section 90 of the *Local Government Act 1999*.

9. Deputations

The Committee Chairperson may allow deputations to appear if it aligns with the business of the Committee or is referred by the Council.

A deputation must not exceed ten minutes except with the consent of the Committee.

10. Petitions

All petitions must be received by Council. However, the Council may refer a matter arising from a petition to the Committee for consideration.

11. Conduct and interests of Committee Members

All members of the Committee must comply with the Code of Conduct for Council Members and chapter 5 part 4 of the *Local Government Act 1999* relating to Conduct and Disclosure of Interests.

12. Role of Administration

The Responsible Officer for the Civic Awards Committee will be the Director Corporate and City Services.

Staff will attend meetings as required and are responsible to provide advice and recommendations to the Committee.

13. Liability and Insurance

Council is required to adequately insure all elected members in accordance with section 80 of the *Local Government Act 1999*.

Committee members are covered under the following Council insurance policies on a 24 hour basis, while performing and discharging the functions and duties of their office.

Personal Accident Insurance

Committee members (and accompanying spouses) are provided with benefits to cover out of pocket expenses should they sustain bodily injury whilst engaged in any activity directly connected with, or on behalf of the Committee.

Public Liability / Professional Indemnity

Public liability and professional indemnity insurance covers Committee members against negligence claims in relation to professional advice and service providing individuals. Committee members are covered only in connection with their role as Committee members. Coverage does not include criminal prosecution, nor a wide range of potential liabilities under civil law.

Personal Effects

Council provides coverage for damage to Committee members personal effects whilst engaged in any activity directly or indirectly connected with, or on behalf of the Committee.

14. Terms of Reference approval

Responsible officer(s)/department(s):	Manager Governance
Adopted by:	Council
Adoption date:	Endorsed by Council 13 December 2016
Next review:	By December 2017
Date of previous review:	9 December 2014 1 December 2015 13 December 2016
ECM DSID:	

Date Printed: 16 November 2017

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9.16 Tier 1 sponsored event - Sand Sculpture Exhibition

This is a new proposal, concept or issue

Manager: Judi Cameron, Manager Libraries, Marketing & Events

Report Author: Natali Bennett, Team Leader Marketing & Events

Contact Number: 8384 0707

Attachments: 1. Sand Sculpture Exhibition 2017 Event Evaluation Report

(42 pages)

2. Sand Sculpting Australia Tier 1 Sponsorship Application

(20 pages)

3. Sand Sculpture Australia 2018 event budget (1 page)

1. Purpose

This report seeks Council approval of the Tier 1 sponsorship proposal from Sandstorm Events Pty Ltd for the 2018 Sand Sculpting Australia – Port Noarlunga exhibition.

2. Recommendations

- That Council approves a total of \$40,000 Tier 1 sponsorship funding for the 2018 Sand Sculpting Australia – Port Noarlunga exhibition, with \$5,000 of that to be used to undertake an independent financial audit of the profit and loss.
- 2. That Council approves in-kind support to the value of \$5,000 for the approved 2018 Sand Sculpting Australia Port Noarlunga exhibition.
- 3. That Council notes that the viability of this event (beyond 2018) will be considered as part of our Flagship, Tier 1 and 2 Events Review and three year event plan.

3. Background

The objectives of Tier 1 (Flagship Events) sponsorship are to contribute to the recognition and profile of our city, provide opportunities for day/overnight visits, attract both interstate and international visitors, leverage tourism and economic outcomes and provide revenue raising opportunities for local businesses.

Tier 1 sponsorship proposals are assessed on a case by case basis with no specified open/close date. Guidelines are available on our website at www.onkaparingacity.com/onka/council/grants awards/grants sponsorship.jsp

An application for Tier 1 funding of \$65k plus \$5k in kind has been received from Sand Storm Events. So far, this is the only Tier 1 application to be received for this financial year.

While the application from Sand Storm Events states "that if City of Onkaparinga is unable to provide the minimum sponsorship funding as requested, then the event will relocate to another council region", staff have negotiated that the event will proceed on the basis of the proposed funding, should this be approved.

Council initially sponsored Sand Sculpting Australia in 2013 as part of our Huge November event series along the Christies Beach foreshore.

This was followed by sponsorship in 2015 as part of the April Event Series on the Port Noarlunga foreshore.

The exhibition was again funded in 2016 and 2017 as a stand-alone event on the southern end of the Esplanade (off Clarke Street), Port Noarlunga. The evaluation of the 2017 event forms attachment 1 to this report.

It is proposed that the 2018 exhibition be held in the same location, from Saturday 14 April to Sunday 29 April 2018, inclusive of the Term 2 school holidays and the ANZAC Day public holiday on Wednesday 25 April.

Since its inception, the exhibition has grown from 170 tonnes of sand to create the sculptures, to 410 tonnes of sand proposed for the 2018 event, which will also include the following (as stated in their application form):

- sand sculpting workshops
- sand art and sand bottles (themed to align with the event)
- themed face painting
- interactive photographic opportunity
- children's activity sheet
- children's sand pit
- children's giant game zone
- sculptor's daily talks (three per day)
- 350 complimentary tickets to distribute to those members of the community that are facing financial hardship and would like to experience the event.

The Tier 1 sponsorship application from Sandstorm Events (attachment 2) provides full details.

Funding per year:

Year	Attendees	Tier 1 cash	In-kind	Income to council (25%)	
Proposed/re	Proposed/requested figures				
2018	32,250	\$35,000 +\$5,000 for audit	\$5,000		
Previous yea	Previous years' figures				
2017	27,568	\$40,000	\$8,500	\$697	
2016	31,665	\$65,000	\$11,000	\$7,168	
2015	30,033	\$65,000	\$5,000	\$0	

To maximise the return on investment, an independent auditor will be employed to provide a profit and loss statement to council, and a breakdown of in-kind support received and daily ticket sales will be supplied by Sand Storm Events.

Ticket prices per year:

Ticket	2013	2015	2016	2017	2018
Adult	Free	\$8	\$8	\$10	\$11
Child	Free	\$4	\$4	\$5	\$6
Concession	Free	\$6	\$6	\$8	\$8
Family of 4	Free	\$20	\$20	\$25	\$27
Children under 3	Free	Free	Free	Free	Free

4. Financial Implications

The cost to hold the exhibition in 2018 is \$68,279 (incl GST), with Sand Storm Events requesting \$65,000 cash and up to \$5,000 in-kind support from us to deliver the event, totalling \$70,000 (see attachment 3). This event would expend approximately 61% of the available funds in our Tier 1 sponsorship budget for 2017-18.

However it is recommended that we decrease funds from previous years, because the event is now established in South Australia and receives support from other organisations.

Cash	\$35,000
Independent financial audit	\$5,000
Total	\$40,000
(In-kind support for toilets, signage, traffic management, etc.	\$5,000)

5. Risk and Opportunity Management

Risk	
Identify	Mitigation
Expectation for future funding	There is no commitment to fund this event each year, and the evaluation report, in conjunction with the outcomes of the Events Review and three Year Plan, will determine the benefits of the event and inform future funding decisions.
Increase in vehicular traffic to the area	Car parking is available in the Witton Centre Car Park with a path leading to the event site. Additional parking is also available within the Port Noarlunga township.
	Details on how to access the event site will be communicated and promoted in all event communication and marketing (and we will work with Sand Storm Events to include it on all pre-purchased tickets).
	We will use 'community event' signs to advise drivers of the exhibition to encourage vehicles to slow down and to build event awareness.

	We will make surrounding streets a 25km/hr speed zone on peak days to ensure visitor safety.
Local residents' discontent with event restricting their access and coping with increasing foot and vehicular traffic	Residents have experienced the exhibition and associated road closures in their street in both 2016 and 2017 and no official complaints were received. Feedback was that they were happy with the ease of being able to get in and out without being stopped. An engagement/information session with the local businesses and residents will be offered prior to the exhibition to ensure all that are effected have the information they need to prepare accordingly. Residents affected by the traffic restrictions will once again be offered complimentary tickets.
Beach access for SLSCs and interference with Aquatic Week organisers, Horta's Restaurant, other local businesses and planned activities with permits	We will engage with the Surf Life Saving Clubs (SLSCs) in Port Noarlunga and South Port to ensure there is adequate space to accommodate access for Surf Life Saving vehicles. We will inform Port Noarlunga SLSC and Horta's Restaurant so they can communicate about the exhibition to their clients. We will work with Port Noarlunga Aquatic Centre's Aquatic Week program to allow them access to the ramps as required during set up and pack down (they don't operate during school holidays, so won't be affected while the exhibition is operating). We will ensure there are no other events booked for the event site. We will engage with all the local businesses to advise them about the event, road closures and the information session.
Event standard and visitor expectation isn't reached if minimum sponsorship isn't achieved	As per previous years, the event organiser has stated in their proposal that the event can go ahead if only partial funding is received, however the following changes would have to be implemented: • a further increase of the entry fee (this has gone up by \$1 for adults for the 2018 event already) • reduce the amount of sculptures carved • reduce the free activities.
Inclement weather (as in 2017 when nine of the 16 days were rainy) drastically reduces visitation	The event organiser bears all the risk of this at the event, however financial return on Council's investment would also be adversely affected.

Opportunity		
Identify	Maximising the opportunity	
Partnering with an established award winning and internationally recognised event management company (Sand Storm Events Pty Ltd)	Sand Storm Events have demonstrated their capacity to deliver a successful event in our region in support of our economic development, tourism, marketing, place activation and social objectives	
Promotion and recognition of our region	The City of Onkaparinga hosts the only professional sand sculpture exhibition within South Australia – offering a unique value proposition with a clear point of difference which we will capitalise on through marketing and media strategies. The exhibition is anticipated to attract up to 32,250 visitors (increase from 27,568 in 2017 and 31,665 in 2016) as the event will coincide with the Term 2 school holidays and the ANZAC Day public holiday. The exhibition has potential to feature as a key tourist destination for intra/interstate visitors as has been achieved with their exhibition in Frankston. The McLaren Vale and Fleurieu Visitor Information Centre mobile information booth and promotional trailer has again been booked to be onsite for the duration of the exhibition, enabling visitors to learn about the City of Onkaparinga and Fleurieu experiences and to showcase our tourist attractions, accommodation opportunities and upcoming events	
Tourism/Economic benefit	It is estimated that the 17 day exhibition will provide economic benefit of approximately \$2,980,730 (2017 figures). These figures have been calculated using the recognised REMPLAN tool. We will work with Sand Storm Events, Port Noarlunga Business and Tourism Association and businesses across our city to prepare for the anticipated increase in visitor numbers and to maximise local economic benefit opportunities from the event. We will work with our Tourism Officer and Visitor Information Centre to help develop experience packages to maximise visitor stay and experience.	
Site location is able to accommodate the exhibition and maximise the event experience and	The Esplanade adjoining Clarke Street, Port Noarlunga has proven to be an ideal site for the exhibition due to its location and dimensions. The site offers: • opportunities to activate the township and the	

duration of visitor stay

foreshore

- one large event site with a flexible layout
- more space to view the sculptures and for better crowd control and management
- suitable dimensions for event logistics including site space for a ticket booth, fencing, workshops and activities
- accessible car parking space in the Witton Centre car park
- two public toilets and space for additional portaloos to accommodate expected crowd numbers
- potential to increase duration of visitor stays (particularly in local caravan parks) and attract higher attendance to the local business precinct and township
- opportunity to hold a public sculpting competition on the beach on the last weekend of the exhibition
- close proximity to the local business precinct and township
- opportunity to collaborate with local hospitality businesses.

This site is also within close proximity to Noarlunga Regional Centre offering public transport options (bus and train) and the opportunity to offer a full family day out with activities in close proximity including:

- Colonnades Shopping Centre
- Wallis Cinema
- Noarlunga Ice Sports Centre
- AMF Bowling Noarlunga
- Noarlunga Aquatic Centre.

Promote and complement other council programs/parks

With the event positioned in Port Noarlunga, there is an opportunity to promote and complement other council facilities such as Jubilee Park, the Arts Centre, Sauerbier House and food trucks sites in the local area.

We will explore leveraging other opportunities through the exhibition that align with our youth, sustainability, coastal, recreation and community connections teams' objectives.

We will work with the Sustainable Onkaparinga team to explore Eco Beach & Aquatic Adventure nature play opportunities as we did in 2017 and also the Arts Team to tie in any school holiday programs running at the Arts Centre.

Attachment 1

Sand Sculpting Port Noarlunga Evaluation Report 14th to 30th April 2017

Prepared for:

Natali Bennett, Team Leader Marketing & Events,
City of Onkaparinga
Holly May, Event Coordinator Marketing, Events & Communication,
City of Onkaparinga

Prepared by:

Jason Fleming, Insideout Promotion and Marketing



Introduction

Sand Sculpting Australia presents 'Alice in Wonderland' — a life sized sand tribute to Lewis Carroll's enduring children's classic, celebrating 150 years of magical entertainment. Walk amongst the popular tale carved by 7 Australian and 3 international sand sculptors and follow Alice through The Hall of Locked Doors, down the rabbit hole into Wonderland. Scenes such as the Mad Hatter's Tea Party, Flamingo Croquet, Cheshire Cat, The Queen of Hearts procession and the Caterpillar. Integrated with the sand sculptures is a full range of children's activities including sand sculpting workshops, face painting, our children's activity sheet, the family game zone and more.

Surveying during two weeks of the event:

Surveying was conducted over eight days. It was made up of the Easter long weekend plus the following Saturday and Sunday and then the Thursday and Friday of the last week. People were surveyed towards the end of the Sand Sculptures so they had the opportunity to have a full experience prior to speaking with them. Given the tight constraints surveying was conducted during quieter periods which still provided enough people but avoided crowds and congestion.

Positive Comments:

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"Great event, have thought of everything"
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"Better than Excellent"

"Will attend next year depending on the theme"

"Great value for money"

"I appreciate the amount of work that has gone into the sculptures"

"Very fine art"

"Lots of activities for kids"

Negative Comments / Feedback:

"Bit expensive"

"\$5 entry fee for adults would have been better"

"Hard to find. More signage would have been good"

"More shade"

"Thought it would be on the beach"

"Thought there would have been more food"

"More information on the artist would be great"

400

"Ran out of Easter eggs on Easter Sunday"

"Thought it would be bigger"

"Disappointing with the rain damage"

"I would like to have bought in my dog"

Evaluation Summary

The crowds were strong over Easter and weekends with a constant flow on other days during the school holidays. The demographic was made up of parents with young children followed by grandparents taking their young grandchildren out during the holidays and also many elderly people attending without children. Most people surveyed were attending for the first time and enjoyed the experience. Although most ended up saying that they thought it was value for money many did hesitate before their answer. Towards the end of the first week and into the second week there was some heavy rain which damaged the sculptures. It was noticeable that the feedback in the surveys was more negative due to the rain damage with the sculptures. It was also noted in the surveying the number of people that had travelled from the northern suburbs of Adelaide and made a day of it down south. Overall most had a good time, appreciated the effort and time that had gone into the sculptures, enjoyed the kid's interactive activities and will be back again next year.

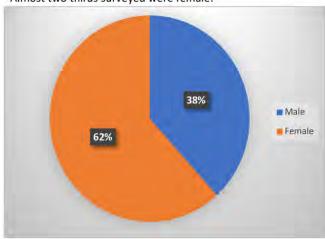
Date Printed: 16 November 2017

Observation 1 - Your Gender

Male	154
Female	248
Total	402

Summary

Almost two thirds surveyed were female.

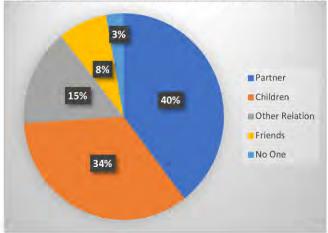


Question 1 - Who have you attended with?

Partner	236
Children	205
Other Relation	91
Friends	47
No One	17
Total	596

Summary

A lot of parents with children, followed by grandparents with grandchildren attended.

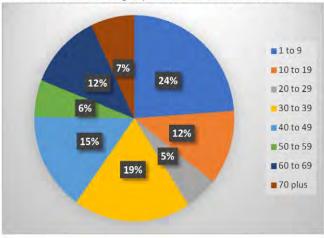


Question 2 - What is the age of those you have attended with?

with	
1 to 9	189
10 to 19	93
20 to 29	42
30 to 39	150
40 to 49	122
50 to 59	46
60 to 69	94
70 plus	56
Total	792

Summary

A number of 30 to 49 aged parents attended with children mostly aged 1 to 9.

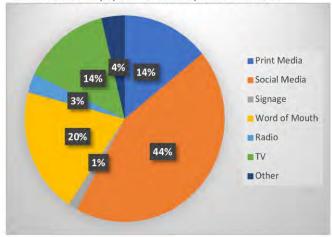


Question 3 - How did you hear about this event?

Print Media	57
Social Media	176
Signage	6
Word of Mouth	79
Radio	12
TV	57
Other	15
Total	402

Summary

Social Media was popular followed by Word of Mouth.

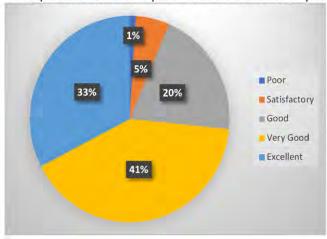


Question 4 - Rate your satisfaction of this event.

Poor	4
Satisfactory	22
Good	81
Very Good	164
Excellent	131
Total	402

Summary

Three quarters of those surveyed believed the event was Very Good or Excellent.

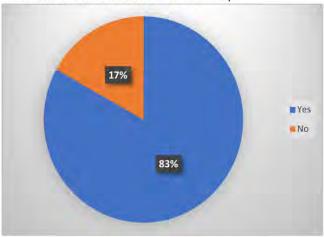


Question 5 - Do you believe this event is value for money?

Yes	334
No	68
Total	402

Summary

Most believed the event was value for money.

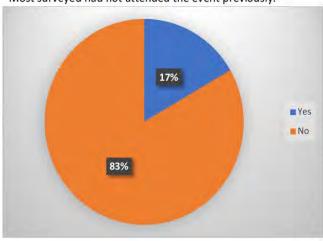


Question 6 - Have you attended this event previously?

Yes	67
No	335
Total	402

Summary

Most surveyed had not attended the event previously.

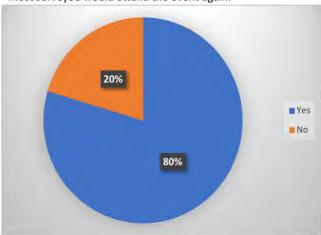


Question 7 - Would you attend this event again?

Yes	320
No	82
Total	402

Summary

Most surveyed would attend the event again.

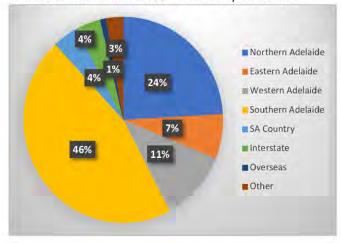


Question 8 - What is your Postcode?

Northern Adelaide 97 Eastern Adelaide 28 Western Adelaide 45 Southern Adelaide 184 with 103 (or 26%) from within our region **SA Country** 17 Interstate 16 Overseas 4 Other 11 Total 402

Summary

Almost half were from the South followed by the North.



Event Evaluations - Comparisons

City of Onkaparinga conducted an independent evaluation of the event, in addition to the evaluation done by Sand Sculpting Australia.

For the questions that were asked in both surveys, some criteria were slightly different, providing a different result.

Key outcomes are highlighted for each survey and the results compared below:

Region of attendees

	Sand Sculpting Australia		Independent Evaluation	
	Frequency	%	Frequency	%
Northern Suburbs	97	18	97	24
Eastern Suburbs	49	9	28	7
Western Suburbs	74	14	45	11
Southern Suburbs	7	1	81	20
Country South Australia	25	5	17	4
Visitor	12	2	N/A	
Interstate	N/A		16 4	
Overseas	N/A			1
Adelaide CBD	113	22	N/A	
City of Onkaparinga	104	20	103	26
Fleurieu Peninsula	45	9	N/A	
Other	N/A		11	3
Total	526	100	402	100

Would you attend this event again?

	Sand Sculpting Australia		Indeper Evalua	
	Frequency	%	Frequency	%
Yes	365	68	320	80
No	22	4	82	20
Maybe	151	28	N/A	
Total	538	100	402	100

Gender (of survey respondents)

Gender	Sand Sculpting Australia	Independe	nt Evaluation
	Percent of event attendees	Frequency	% surveyed
Male	74	154	38
Female	19	248	64
Unspecified	7		N/A

Age

	Sand Sculpting Australia		Age	Independent Evaluation		
	Frequency	%		Frequency	%	
15-29	79	15	1-9	189	24	
30-44	282	53	10-19	93	12	
45-59	107	20	20-29	42	5	
60-74	56	10	30-39	150	19	
75+	12	2	40-49	122	15	
Total	536	100	50-59	46	6	
			60-69	94	12	
			70+	56	7	
			Total	792	100	

How did you hear about this event?

	Sand Sculpting Australia		Independent Evaluation	
	Frequency %		Frequency	%
Adelaide's Child Magazine	15	2	N/A	Ŷ-
Blogs	6	1	N/A	
Channel 9	66	10	N/A	V.
Facebook	196	30	N/A	\ .
Word of Mouth	149	23	79	20
Google Search	43	7	N/A	V .
Live Local	47	7	N/A	
Local paper	21	3	N/A	
NOVA	10	2	N/A	
Onkaparinga Mag	16	2	N/A	
Web - Onkaparinga	5	11	N/A	
Web - Sandstorm Events	22	3	N/A	V
Weekend Notes	22	3	N/A	٧.
Print Media	N/A	1	57	14
Social Media	N/A		176	44
Signage	N/A		6	1
Radio	N/A		12	3
TV	N/A		57	14
Other	45	7	15	4
Total	663	100	402	100

Tourism Impact Summary Report for Onkaparinga (C) (Tourism Activity: 17 days)

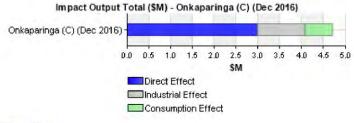
Tourism Impact Scenario

ame Sand Sculpting Australia - Alice in Wonderland 2017

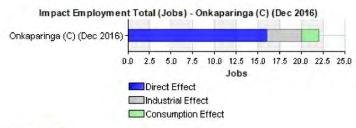
Duration 17 days (14-30 April 2017)

Direct Impact	Domestic Day	Domestic Overnight	International	Total
Number of Visitors	27,485	306	0	27,791
Number of Nights	n/a	1.00	0.00	
Estimated Expenditure per Visitor (\$)	\$106	\$220	\$0	
Total Estimated Expenditure (\$)	\$2,913,410	\$67,320	\$0	\$2,980,730

Tourism Impacts

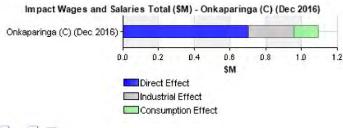




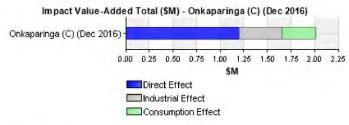


410

REMPLAN



3 REMPLAN



REMPLAN

4

- Under this scenario Gross Region Product is estimated to increase by \$2.007 million (0.04%) to \$5,096.030 million. Contributing to this is a direct increase in output of \$2.981 million, 16 additional jobs, \$0.702 million more in wages and salaries and a boost in value-added of \$1.199 million.
- From this direct expansion in the economy, flow-on industrial effects in terms of local purchases of goods and services are anticipated, and it is estimated that these indirect impacts would result in a further increase to output valued at \$1.091 million, 4 more jobs, \$0.254 million more paid in wages and salaries, and a gain of \$0.451 million in terms of value-added.
- 7 These industrial effects represent the following Type 1 economic multipliers:

Impact	Type 1 Multipliers	
Output	1.366	
Employment	1.250	
Wages and Salaries	1.362	
Value-added	1.376	

- The increase in direct and indirect output and the corresponding creation of jobs in the economy are expected to result in an increase in the wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy. The consumption effects under the scenario are expected to further boost output by \$0.629 million, employment by 2 jobs, wages and salaries by \$0.138 million, and value-added by \$0.357 million.
- 9 Under this scenario, total output is expected to rise by \$4.701 million. Corresponding to this are anticipated increases in employment of 22 jobs, \$1.094 million wages and salaries, and \$2.007 million in terms of value-added.
- 10 The total changes to economic activity represent the following Type 2 economic multipliers:

Impact	Type 2 Multipliers
Output	1.577
Employment	1.375
Wages and Salaries	1.558
Value-added	1.674

Tourism Impact Summary (Tourism Activity: 17 days)

Impact	Direct Effect	Industrial Effect	Consumption Effect	Total Effect	Type 1 Multiplier	Type 2 Multiplier
Output (\$M)	\$2.981	\$1.091	\$0.629	\$4.701	1.366	1.577
Long Term Employment (Jobs)	16	4	2	22	1.250	1.375
Wages and Salaries (\$M)	\$0.702	\$0.254	\$0.138	\$1.094	1.362	1.558
Value-added (\$M)	\$1.199	\$0.451	\$0.357	\$2.007	1.376	1.674

412

















Actioned from 2016

- Larger exhibition with more sand sculptures from 270 tonne to 350 tonnes
- Introduced 'Game Zone' for interactive free activity
- Created a unique event theme "Alice in Wonderland"

2017 - Alice in Wonderland

To support the future success and direction of the exhibition a small two sided card survey was conducted on site at the exhibition.

A total of **550** people completed the survey across the 17 day event providing a sample for decision making.

— The raw research results will be sent as an appendix attachment

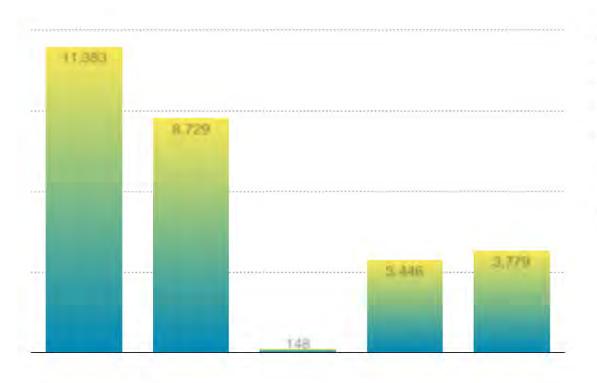
KEY SUMMARY POINTS

- 21.5% of the audience were from Adelaide CBD
- Facebook was the #1 way the event audience found out about the event
- The sculptures achieved a 92.4% satisfaction rate

- 26.5% of the event audiences first visit to Port Noarlunga
- 82.7% said their primary reason for Visiting Port Noarlunga was to see the Sand Sculpting
- 55.7% said they would be staying to have lunch or dinner in Port Noarlunga

Tickets

Total admission was **27,485 people**, of this, the tickets can be broken down into the below:



Audience breakdown

Adults: 41.2% Children: 31.6%

Groups: 0.53%

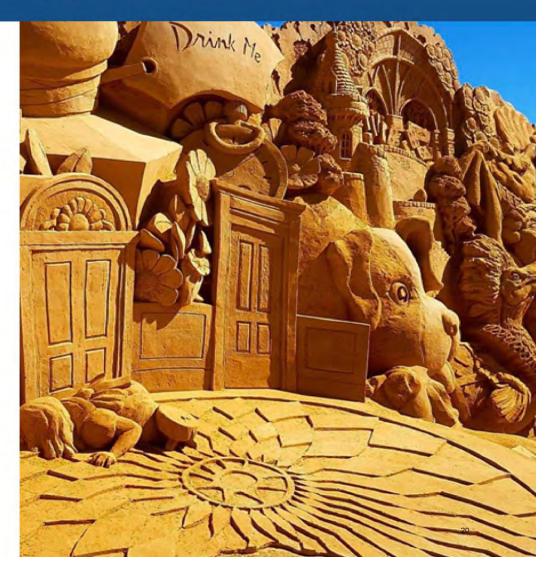
Concessions: 12.5%

Misc: 13.70%

Misc = Carers, Under 3yrs & complimentary tickets

1. Demographics

- 74.2% of the event survey respondents were female
- 52.6% of the event survey audience were aged between 30-44 years.
- 21.5% of the event audience responses were from Adelaide CBD
- 27,485 people attended the event



i. Region Breakdown



Region	Freq	%
Adelaide CBD	113	21.5
City of Onkaparinga	104	19.8
Country South Australia	25	4.8
Eastern Suburbs	49	9.3
Fleurieu Peninsula	45	8.6
Visitor	12	2.3
Northern Suburbs	97	18.4
Western Suburbs	74	14.1
Southern Suburbs	7	1.3
Total Responses	526	100.0

- It was 26.5% of the audiences first visit to Port Noarlunga
- 80.2% of the audience came from outside the City of Onkaparinga.

ii. Postcode Distribution

POSTCODE	PERCENT %	SUBURBS
5162	4.45	Morphett Vale + Woodcroft
5159	3.84	Aberfoyle Park, Chandlers Hill, Flagstaff Hill + Happy Valley
5158	3.51	Hallett Cove, O'Halloran Hill, Sheidow Park + Trott Park
5169	3.14	Moana, Seaford, Seaford Heights, Seaford Meadows + Seaford Rise
5043	1.68	Ascot Park, Marion, Mitchell Park, Morphetville + Park Holme
5108	1.68	Paralowie, Salisbury, Salisbury Downs + Salisbury North
5085	1.64	Clearview, Enfield, Enfield Plaza, Northfield + Northgate
5163	1.54	Hackham, Hackham West, Huntfield Heights + Onkaparinga Hills
5167	1.45	Port Noarlunga + Port Norlunga South
5161	1.40	Old Reynella, Reynella + Reynella East

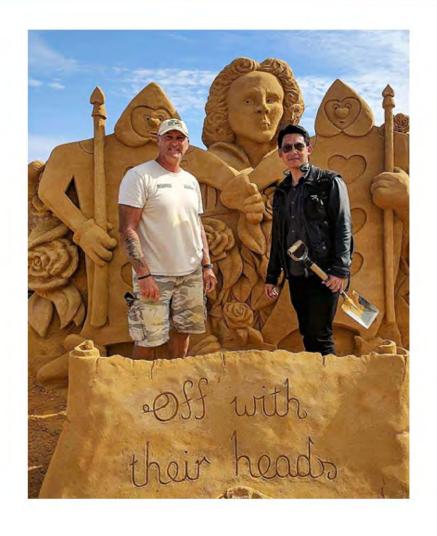
24.33% of the audience were from the top 10 postcodes.

iii. Gender



Percentages above reflect the answers of the survey respondents.

iiv. Age



Age bracket	Frequency	% of audience
15-29	79	14.7
30-44	282	52.6
45-59	107	20.0
60-74	56	10.4
75+	12	2.2
Total	536	100.0

- The most frequent age bracket was 30-44 years;
 representing 52.6% of the total event audience
- The second most frequently represented age bracket was 45-59 years covering 20% of the event audience.
- Note: No surveys were taken on under 15's. The above reflects the ages of survey respondents.

2. THE EVENT

#1

'art' school holiday

92.4%

87.6%



i. How did you hear?

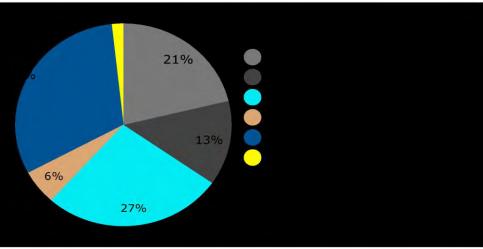
Medium	Frequency	%
Adelaides Child	15	2.3
Blogs	6	0.9
Channel 9	66	10.0
Facebook	196	29.6
WOM	149	22.5
Google Search	43	6.5
Live local	47	7.1
Local Paper	21	3.2
NOVA	10	1.5
Onkaparinga Mag	16	2.4
Web - Onkaparinga	5	0.8
Web - Sandstorm Events	22	3.3
Weekend Notes	22	3.3
OTHER	45	6.8
Total	663	100%

#1

ii. What attracted you to visit?



Reasons attracted to visit



The Art was the number #1 draw factor for the exhibition {31%} followed by School Holiday
 Activity {27%}

iii. Satisfaction Level

Value for money

Level	Frequency	Percentage	
Satisfied	327	61.6	
Neutral	156	29.4	
Dissatisifed	48	9.0	
Total	531	100%	



Average overall Satisfaction was 95.1%*

The Sand Sculptures

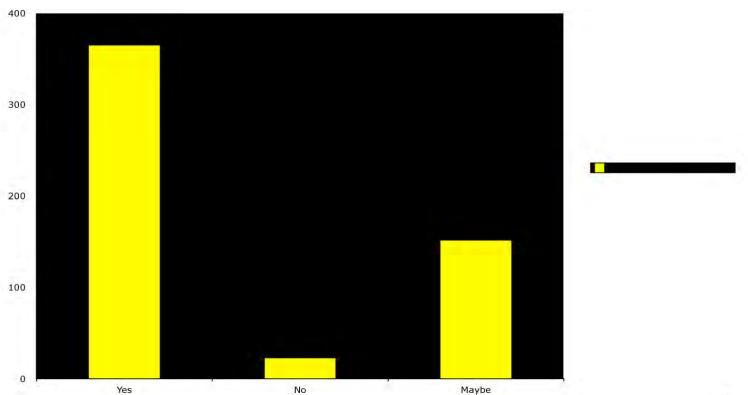
Level	Frequency	Percentage
Satisfied	464	92.4
Neutral	36	7.2
Disatissfied	2	0.4
Total	502	100.0

Children's Activities

Level	Frequency	Percentage 69.0	
Satisfied	336		
Neutral	126	25.9	
Disatisfied	25	5.1	
Total	487	100%	

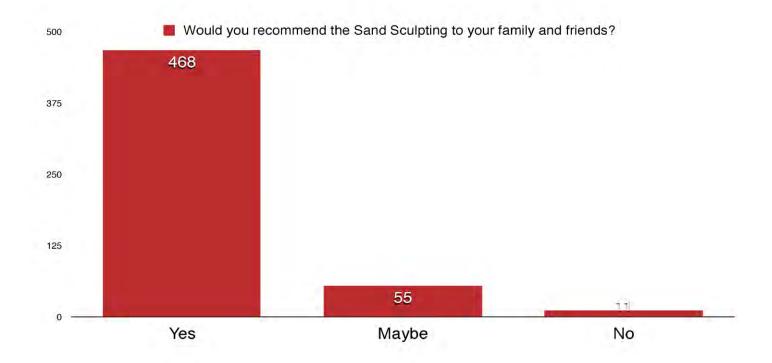
iv. Would you attend again?

67.1% of visitors said **YES** they would attend again

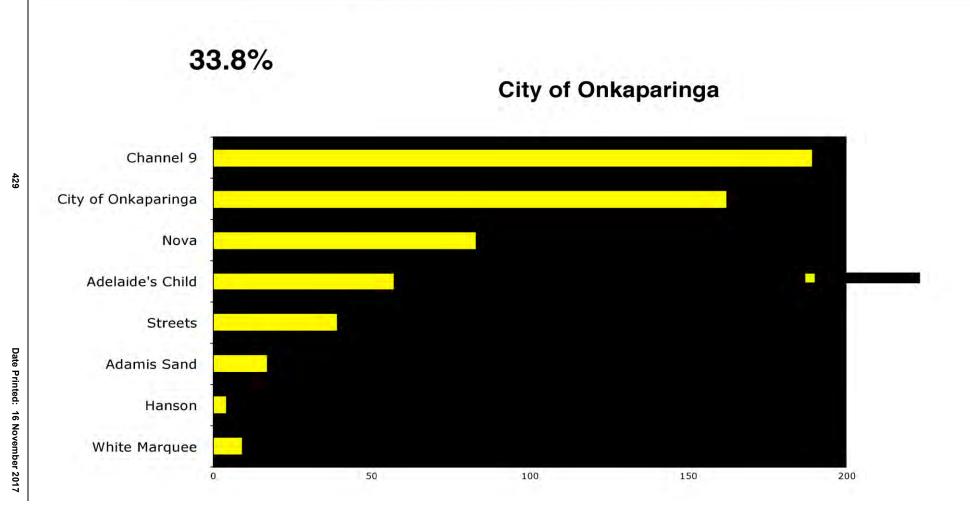


ii. Recommend to Family & Friends?

87.6% of visitors said \(\sum_{=>} \) they would recommend the event to their family and friends.....



ii. Support from sponsors



3. CITY OF ONKAPARINGA



- 82.7% of the event audiences primary reason for visiting Port Noarlung was to see the Sand Sculpting
- **55.7%** of the event audience said they were staying in Port Noarlunga to have lunch/dinner
- It was **26.5%** of the audiences first visit to Port Noarlunga

i. Primary reason for visiting

82.7% of the event audiences primary reason for visiting Port Noarlunga was to see

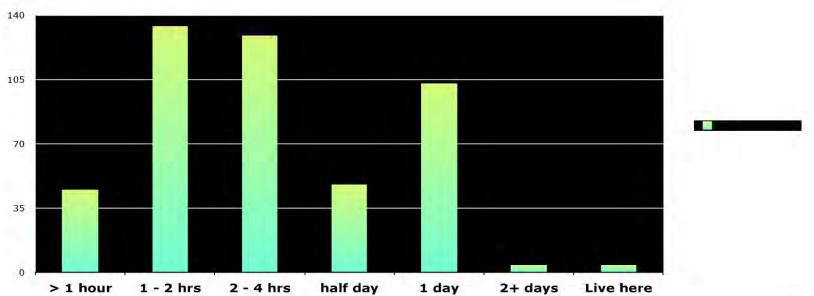
the Sand Sculpting.

Reason	Frequency	%
Sand Sculpting Australia	445	82.7
Visit Family & Friends	27	5.0
The Beach	39	7.2
Channel 9 Fun Day	0	0.0
Restaurants	6	1.1
Other	21	3.9
Total	538	100%



ii. How long in the region?

- 66.5% of visitors intending on staying within Port Noarlunga 2-6 hours.
- 22% of the event audience indicated they would stay for 1 day



iii. Stay



4.4% of the event audiences intended on staying overnight for 1

+ nights in Port

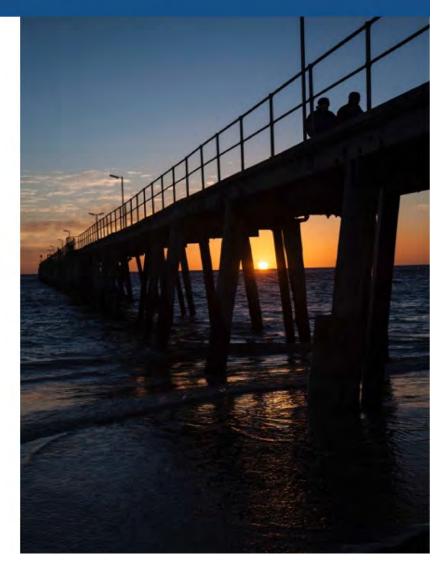
Noarlunga.

Response	Frequency
1 night	7
2-3 nights	6
4 - 10 nights	5
Live local	4
No	385

iv. Other things to do?

Dine in the local restaurants & visit the beach were amongst the popular responses

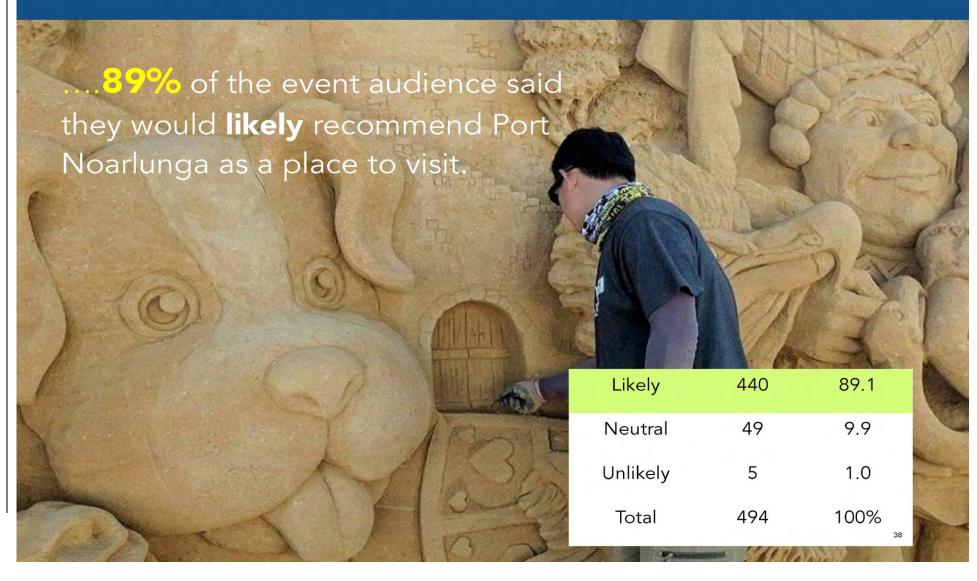
Response	freq	%
Beach/Jetty	118	31.5
Lunch / Dinner	209	55.7
Visit Family & Friends	12	3.2
Playground	15	4.0
Live Here	2	0.5
Shops/Cinemas	11	2.9
Sight Seeing	8	2.1
Total	375	100%



v. First visit to Port Noarlunga?



ii. Recommend as a place to visit?



OVERALL AUDIENCE FEEDBACK

Positives

"Amazing"

"Excellent event"

"Great location"

"Friendly Staff"

"Love the sculptures"

Negatives

"More included activities"

"Disabled parking closer"

"Entry price too expensive"

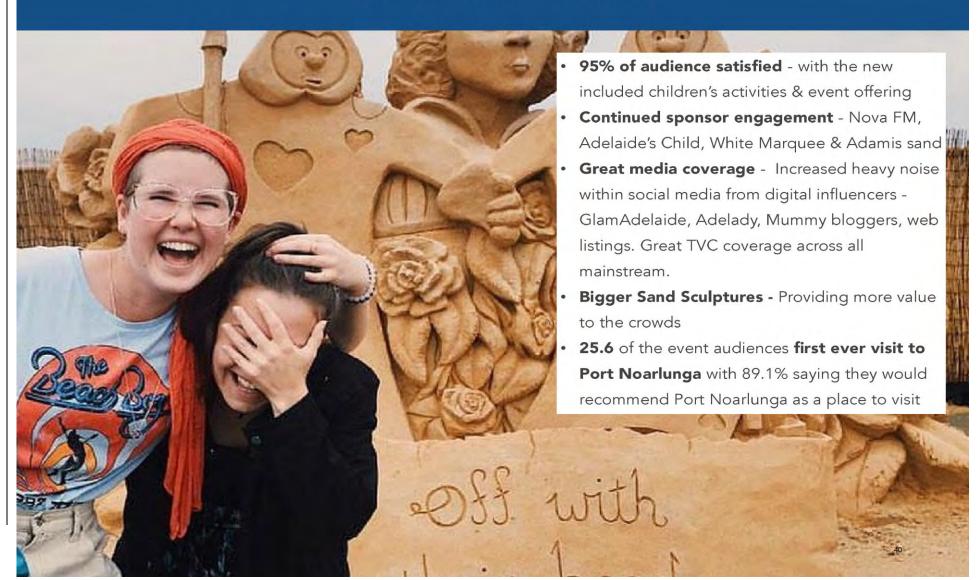
"More shaded areas"

"More signage"





Positives - 2017



Negatives - 2017



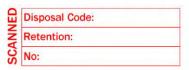
- Weather 9/17 days were wet and meant visitation was impacted
- Still a bit of confusion for guests around where to park, access etc
- No real local trader engagement, resulting in possible loss of in-region expenditure
- The Aquatic week program needing daily access during bump in
- Having to opt for a less 'interesting' layout due to accommodating access for the Aquatic
 Week program

Looking forward - 2018

- Earlier sign off from Council to enable us to engage with sponsorship opportunities and groups earlier
- Access to the event site earlier to grow the sculptures slightly
- Work with aquatic operators to see if there are other ways they can access the site during bump in so we can enhance the layout of event site
- Review signage for parking and communication around disability parking
- Work with council again to engage with local traders and encourage them to get involved



Attachment 2







APPLICATION FORM

RANTOMMUNITESTRONGVERANTOM RONGVERANTOMMUNITESTRONGVERANTOM UNITESTRONGVERANTOM UNITESTRONGVERANTOM UNITESTRONGVERANTOM UNITESTRONGVERANTOM UNITESTRONGVERANTOM UNITESTRONGVERANTOM UNITESTRONGVERANTOM RONGVERANTOM UNITESTRONGVERANTOM UNITESTRONGVE

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- As a part of our Community Plan 2035 we are committed to realising the vision of our city being recognised as a
 thriving arts, events and tourism hub. Attracting flagship events through cash and in-kind sponsorship
 contributes towards achieving this goal.
- Please read the Flagship event sponsorship Guidelines and Frequently Asked Questions prior to starting this
 application form.
- Please contact the Grants and Sponsorship Officer on 8384 0623 prior to commencing this application form if you
 have any questions or queries regarding any aspect of the application process.
- . Minimum funding available is \$30,000 per event (or series of events if the series is part of one whole event)
- You may add attachments if there is not enough space available (please mark clearly which section and question they are related to).
- There is no opening or closing dates for Flagship event sponsorship, as applications are assessed as they are received all year round. In some instances funding may not be made available until July.
- Incomplete applications will not be accepted.
- Please retain a copy of your sponsorship application (and supporting documentation) for your records and submit
 the original application form (and supporting documentation) using the options provided in the guidelines and at
 the end of this application form.

API	PLICANT DETAILS						
1	Name of organisation	Sandstorm Events Pty Ltd					
2	Postal address of organisation 24 Colchester Road						
		Rosebud		3939			
3	Contact person	Mrs Sharon Redmond					
	Director						
	sharon@sandstormevents.com.	au					
	0419 584189	Other	contact number 0419 5	584189			
4	and/or mission statement) Sandstorm Events Pty Ltd is Australia Scale events through out Australia Along with this we are engaged festivals, schools and corporate Mission Statement: As a company we value passion and extended contractors. We aphotograph world class sand sc	an and its aims and objectives (If release and its aims and objectives (If release atralia's only professional sand sculpt lia annually – which sees approx. 40 for small-scale sand sculpture installs. In the professional small family recommitted to providing all visitors all professional sand be exposed to our love truly unique and innovative experients.	ing company. It product 0,000 visitors annually viations and workshops by, not only in ourselves with the unique opport of the art form through	es 4 m view th by shop but ou	ajor e sc oping er tea	large- ulpture centr am of	es. res, staff
5	Is your organisation located wit	nin the City of Onkaparinga?				NO	
6	Please advise your Australian bu (If unsure, please check via	siness number (ABN)? http://abr.business.gov.au)		ABN	811	0558	5233
7	Is your organisation registered	for GST?		Yes			
8		iability Insurance held by your organ Flagship sponsored events is requir		\$20 r	nillio	n	
9	Children's Protection Act 1993 a	ave procedures in place that ensure nd <i>Children's Protection Regulations</i> se contact the Department for E ECDChildSafe@sa.gov.au	2010?	Yes			

EVEN	T DET	AILS								
10	Nam	e of event		Sand Sculpting A	ustralia	a – Port No	oarlunga (t	theme to	be con	firmed)
11	Estir (The	nated start date/tin nated finish date/tin e event must not co ly 2017)	me of event	Bump In / Carving – 3 to 13 April 2018 Event Period – 14 April to 29 April 2018 Bump Out – 30 April – 3 May 2018				Opening Daily		
12	In w	hich year will the e	vent be held?					2018		
13	Will	the event take plac	e within the City	of Onkaparinga?				Yes		
14a)	Is yo	our event to be held	d on council land?					Yes		
14b)	Whe	re will your event b	e held?	Address The Es	planad	e CarPark	(off Clarke	Street)		
				Suburb Port No.	arlunga	а	Ward Tha	alassa Wa	ard	
15	Unde box)	WILLIAM TO A CONTRACT OF THE STATE OF THE ST	re you applying?	(Please tick one on	ly – if u	unsure, ple	ease tick th	e most a	ppropri	ate
		Arts & Culture								
		Tourism					olease spec iic Impact	ify)		
	27,5 and Aust incre - the April Bum Since size The since sculp The Inte • Sa • Sa	Pirates" Sand Scull ralia's " A Day at the eased media supportereby creating an A 2017. (SA School I p Out on the 30 th A e 2015 the event had of the event — to 4 event will have an e 2015) and would obtures with the therexhibition will inclurational Sand Scull exhibition would also and sculpting worksh	ear impacted by the pture Exhibition (Interpretation of the Zoo" Sand Scullet—we propose to NNUAL event. Sand Holidays). Bump If April — 3 May. The grown in size for the sand entry fee which we comprise of 11 x and (still to be desired to sand sculpture ptors The sand sculpt	re will increase sligh 25 ton sculptures, 1	16 day ith vision and the class poses of the class	ys of the editation of 3 April 2016 is sand scultor run the from the 3 Innes – in 2 is year (as	event it rain 80,033) and with visitat Ipture exhib event from April to the 2018 we wo	ed) , Dis I than Sa ion of 31 bition in I in 14 th April 2 13 April build agin a remaine are, 2 x 5	ney Prirind Scul ,665) – Port Noa ril 2017 I 2017 a like to seed the see	ncesses pting and arlunga – 29 th and

- Interactive photographic opportunity
- · Children's Activity Sheet
- · Children's sand pit
- · Children's Giant Game Zone
- · Sculptor's Daily Talks (3 per day)

Sandstorm Events will plan, deliver, market and manage the exhibition entirely providing a team of professional sand sculptors to carve the sculptures and a professional crew to complete the bump in and bump out along with trained staff to operate the event.

The exhibition would open to the public on Saturday 14th April and close on Sunday 29 April 2018 – running the entire school holiday period.

The exhibition provides an opportunity for significant economic benefit for the area (and state) and return on investment due to the income generated by people coming to the region to see the attraction. In 2017 "Alice in Wonderland" research indicated that 26.5% of the event audience were first time visitors to Port Noarlunga and the City of Onkaparinga represetinga a significant increase from 15% of first time visitors the year previously

The 2017 sand sculpting event in Port Noarlunga again highlighted the ability of the event to bring economic benefit to the region through injection of monies into the local economy. Some local businesses who were surveyed stated they experienced some of their best trade and one even stating they had their busiest trade since their inception.

The event has the capacity to continue to grow into an iconic and unique event for the Onkaparinga region, attracting visitors from the local community through to intrastate and interstate visitors.

The visitation research from last years event is included below:

A total of 550 people completed the survey whilst at the event across the 16 -day event and a further 2184 postcodes were collected at the ticket box.

Key findings

- Over 80.2% of the event audience travelled from outside the City of Onkaparinga municipality (an increase from 65.7% the year previously)
- Online media was again the number 1 way the event audience heard about the exhibition followed by Word of Mouth with 22.5%
- The event achieved a 92.4 % satisfaction rate
- 87.6% of visitors said they would recommend the exhibition to their friends (an increase from 75.5% the year previously)
- 82.7 % of the event audience stated their primary reason for visiting Port Noarlunga was to see the sand sculpting and 29.68% indicated that they planned to stay and have lunch/dinner while in the region.
- 26.5% said they were first time visitors to the region
- 67.1% of the event audience said 'yes' (an increase from 60% the year previously)

Demographics

- 74.2% of the survey respondents were female
- 52.6% of the survey respondents were aged between 30-44 years
- The second most frequently represented age bracket was 45-59 years covering 20% of the survey respondents
- 41.2% audience were Adults, 31.6% Children, 12.5% Concessions, 0.53% Groups with complimentary tickets, children under 3 and carers representing 13.7% of the audience.

2017-18 Flagship Event (tier 1) Sponsorship

Page 3

Region breakdown

- 26.5% of the total event audience reported this as their first visit to Port Noarlunga
- 18.4% of the audience was from the Northern Suburbs
- 24.33% of the audience was from the top 10 postcodes in order (5162,5159,5158,5169,5043,5108,5085,5163,5167,5161)
- 38 minutes was the average time spent travelling to the exhibition based on the top 10 frequently listed postcodes

What was the main attraction?

31% of the audience visiting to view the art- form, followed by 27% of the audience attended as a school holiday activity and 21% of the audience were attracted by the theme. The cost of the activity accounted for 6% of the audience with 13% seeing the location as a attractive feature.

Survey statistics specific to the City of Onkaparinga

- 82.7% of the event audiences primary reason for visiting Port Noarlunga was to see the sand sculpting (an increase from 80.3% the year previous)
- 47.7% of the event audience said they were staying in Port Noarlunga to have lunch (an increase from 30.4% the year previously) with 26.5% were looking to enjoy the beach and walk the Jetty (an increase from 21.5% last year)
- For 26.5% of the audience it was their first visit to Port Noarlunga with 73.8% stating they had visited
 previously before with the largest percentage stating they had visited over 10+ times.
- 66.5% of visitors intended on staying within Port Noarlunga for 2 to 5 hours
- · 22% indicated they intended to stay for the day
- 4.4%% of the event audiences intended on staying overnight in Port Noarlunga.
- 89% of the event audience said they would likely recommend Port Noarlunga as a place to visit (this
 was up from 86.6% in 2016 and 84.2% in 2015)
- 16b) Please provide a description of the event for public promotion if successful (50 words).

Sand Sculpting Australia – Port Noarlunga (14th to 29th April 2018)

Make you way this April to the Port Noarlunga Esplanade to see over 400 tonnes of sand carved into life sized, intricate sand sculptures by some of the world's best sand sculptors. Integrated with the sculptures are activities including sand art, sand bottles, sand workshops, sculptors talks and much more. A great day out for all ages.

For further information visit www.sandsculpting.com.au or call 03 5986 6684

- 17 What are the objectives of the event?
 - The objective of this unique event include:
 - Raise the profile of the City of Onkaparinga, including its profile as a tourism destination
 - Showcase one of the cities key attractions; the beach and coastline.
 - · Encourage increased visitation to the region from South Australia and interstate
 - Generate an economic benefit to the region, commensurate with the risk, investment, promotion and recognition value of the event
 - · Provide accessible events to all members of the community (with a focus on being a family friendly event)
 - · Provide an innovative educational opportunity for children
- Describe the target audience for the event: Describe the target audience for the event (e.g. families, seniors, indigenous, disadvantaged)? (refer Q32)

As the event in 2017 was measured through research surveys, we know and understand our demographics and target audience closer than before. We know our target audience are:

- Females (74.2% of the event audience for 2017 were female)
- Families with parents aged between 30-44 (representing 53% of the event audience)
- Visitation Break down 2017 Adults 41.2%, Children 31.6%, Groups 0.53%, Concession 12.5%, Complimentary (under 3yrs, carers and FOC) 13.7%

Visitors from within and beyond the City of Onkaparinga region (80.2% of the event audience were from outside the City of Onkaparinga region)

19a)	How many people do you estimate will attend/participate in the event? (refer to the Flagship Event Sponsorship Guidelines, Section 4: Funding Criteria)? Total 35,000 plus 50 sculptors & staff						
	City of Onkaparinga residents	(19.8%)	Other South Australian residents	(76.8%)			
	Interstate visitors	(2.3%)	Overseas visitors	(1.1%)			
19b)	Based on the above numbers (in 19a), how many people will be participating in the event? (e.g. competitors, officials and/or support staff if applicable)						
	City of Onkaparinga residents	32 staff	Other South Australian residents	2 staff			
	Interstate visitors	14 sculptors & staff	Overseas visitors	2 international sculptors			
19c)	Based on the above numbers (in 19a), how many people will spectate/attend the event?						
	City of Onkaparinga residents	6930	Other South Australian residents	26,880			
	Interstate visitors	805	Overseas visitors	385			
20a)	How have you calculated the fore	casted attendance nu	ımbers?				

We have calculated the forecasted attendance figures through the data retrieved from the 2016 & 2017 event at Port Noarlunga - taking into consideration that in 2017 - 9 out of the 16 days we experienced high levels of rain fall and in 2018 we will not have the Easter period falling within the event period – and only be operating throughout the school holidays.

We are looking to achieve visitation numbers similar to 2016 – with a 5% increase.

Through our 2015, 2016 and 2017 research at the event we also identified the percentages of our audience that were from within the City of Onkaparinga, from outside the region, interstate and from overseas. We have used this data to predict the percentage of visitor's breakdown for 2018.

How will you accurately determine the number of people attending the event? 20b)

We have a thorough and numbered ticket system (both printed and online) of which we summarise daily and populate to an overall attendance file. This file provides accurate and real time calculations on the current attendance to the exhibition.

21a) If this is the first time the event is taking place, what is your experience with delivering similar events?

Year	Name of event	Description of event
2007 to 2017	Sand Sculpting Australia – Frankston Waterfront	3,500 ton Sand Sculpting Exhibition – held annually over a month period – Hosted by the City of Frankston and attracting upwards of 150,000 visitors annually. Have received a funding grant from Tourism Australia to build a permanent roof over this Exhibition – contract just extended for a 21-year period.
2012 to 2017	Australian Sand Sculpting Championships – Surfers Paradise	An annual competition held on Surfers Paradise foreshore for a period f 4 weeks each February. A free to view even sponsored by Surfers Paradise Alliance attracting upwards of 200,000 visitors annually. Contract with SPA in place to hold the event through to February 2019
2014 - 2016	Hawkesbury International Sand Sculpting Championships	Held for three years in Windsor – on the banks of the Hawkesbury River annually each January – attracted upwards of 45,000. Contract expired – currently sourcing a new location for NSW.
2018	Sand Sculpting Australia – Doonside NSW	Have just signed a three year contract to deliver each January a 350 ton Sand sculpting event to the City of Blacktown NSW in Nurragingy Reserve Doonside

21b) If your event has previously taken place, outline a history of the event including:

Year	Attendance numbers	Sponsors and sponsorship generated				
		Sponsor	Cash	*In-kind contributions		
2013	N/A	City of Onkaparinga – part of Christies Beach Food & Wine Festival	\$125,000	This was a non-ticketed event – Council covered all costs associated with the sculptures.		
2015	30,033	City of Onkaparinga – Council was responsible for all sponsorship recruitment	\$65,000	Channel 9 introduced to the event by Sandstorm Events		
2016	31,665	City of Onkaparinga plus Sandstorm sourced in kind sponsorship from Channel 9, Nova, Adelaide's Child, Adamis Sand, Streets and White Marquee	\$65,000	Council provided Traffic Management & Location Value of in-kind sponsorship from these sponsors was \$126,500 Channel 9 – TV Ad, weather cross and onsite activation Nova – 3 weeks of What's On promotion and visit from Nova Big Red Bus Adamis Sand – reduced delivery and removal costs of the sand, White Marquee – 50% discount on hire costs, Streets – reduction on cost of product, Adelaide's Child – reduced cost in ads along with online promotions		
2017	27,568 (9 out of the 16 days heavy rainfall)	City of Onkaparinga Plus Sandstorm Events sourced sponsorship (in-kind) from Nova, Channel 9, Adelaide's Child, Adamis Sand, Streets and White Marquee	\$45,000	Value of in-kind sponsorship from these sponsors was \$135,500 Channel 9 – TV Ad, weather cross and onsite activation Nova – 3 weeks of What's On promotion and visit from Nova Big Red Bus Adamis Sand – reduced delivery and removal costs of the sand, White Marquee – 50% discount on hire costs, Streets – reduction on cost of product, Adelaide's Child – reduced cost in ads along with online promotions		

^{*}Please refer to Frequently Asked Questions in the guidelines for a definition of 'in-kind'

21c) If your event has previously taken place, please describe:

Year	Marketing/Promotion used	Media Coverage
2015	Extensive Marketing across all mediums – social platforms, print, radio, TV	Please see comprehensive media and marketing summaries provided
2016	Extensive marketing across all mediums – social platforms, print, radio and TV	Please see comprehensive media and marketing summaries provided
2017	Extensive marketing across all mediums – social platforms, print, radio and TV	Please see comprehensive media and marketing summaries provided

21d) Please describe how the event grown/changed since it first commenced

Sandstorm Events delivered a smaller model exhibition (free entry) in November 2013 on the Christies Beach foreshore, which was also very successful. This event was held as part of the Huge November event series which also incorporated the 2013 City of Onkaparinga Christmas Pageant and the 2013 Beachside Food and Wine Festival from 22 November to 1 December 2013.

This free event included a display of 8×7 ton sand sculptures and 1×25 ton display sculpture created by 8 sand sculptors and ran over 11 days (including the carving) with a total of 81 tonnes of sand.

We also ran sand art and sand bottle activities on a pay-as-you-use basis.

In 2015 Sandstorm Events returned with a ticketed event held on the Port Noarlunga foreshore (in-front of the Jetty) – called Sand Sculpting Australia "Princesses and Pirates". This event attracted 29,306 visitors. Many locals were disappointed that the event had both moved from Christies Beach and was transitioned to a paid entry event.

The event ran as a 16-day (not including the pound up and carving period) ticketed event, this time using 180 tons of sand and showcased 14 sculptures of varying sizes from 10 tons to 50 tons.

In 2016 Sandstorm Events again returned and delivered another ticketed event – this time in another new location – The Esplanade (off Clarke Street). This event was successful, with 8% growth in visitation. The new location, larger sculptures, increased range of children's activities and theme all being received positively.

The event employed 17 local residents as staff that were recruited and trained onsite with event management skills, 4 local security staff and used local businesses where possible to provide us with our day–to-day infrastructure needs.

We had 31,665 visitors attend the exhibition with many extending their visit to the area for the day by visiting local shops and cafes. It achieved great media to for the region with TV, radio and print media exposure. The event made a small net profit with 25% returned to the City of Onkaparinga.

Due to the events growing popularity Sandstorm Events returned again in 2017 to deliver a ticketed event in the The Esplanade (off Clarke Street) – called "Alice in Wonderland". The event had amazing exposure and achieved great visitation over the first 5 days – than unfortunately the rain came – and for 9 of the 16 days we were open to the public day) – it rained heavily during the day. (In the years previously we had 2 to 3 days of heavy rain falls) – and with the event being "open air" we were still delighted to achieve visitation of 27,568 – down 11.9%.

The event run as a 16-day event (not including bump in and bump out) and employed 25 local residents as staff and security. We used local businesses and contractors where possible to provide us with our day-to-day infrastructure needs.

Over the past 3 years – Sandstorm Events has attracted 110,000 visitors to the City of Onkaparinga with an economic impact in excess of \$8,690,000.

Sandstorm Events has run over 25 large scale sand sculpting events throughout Australia over the past 11 years which are all ticketed for the public and are hugely successful.

Our most popular sand-sculpting exhibition is the Sand Sculpting Australia Frankston Waterfront Exhibition. Now celebrating its tenth consecutive year on the Frankston Waterfront, it has attracted (in total) 1.2 million visitors to the region with an in-scope economic impact in the region valued at \$95 million and media valued at more than \$24 million. The Frankston Event has recently received funding from the Federal Government to build a structure over the sculptures – transitioning from an event to an attraction in the summer of 2019.

Sandstorm Events is Australia's only sand sculpting company specialising in the delivery of large-scale sand sculpting exhibitions and recognized as world leaders in this field.

- 22a) How will you minimise impact to the environment as a part of the event, including considering local fauna and flora in the vicinity of your event?
 - 1. We will develop our event site plan giving full consideration to the placement of local fauna and flora
 - 2. We will ensure that no materials are introduced to the area that would be harmful
 - 3. We will put in place protection processes if required
 - 4. Signage will be used to advise visitors to the event of any potential dangers to fauna and flora
- 22b) Who have you consulted to establish any risks to the environment?

We will liaise with the City of Onkaparinga and local foreshore authorities to discuss any potential risks and plan to reduce them via our event management, operational and safety teams.

22c) How will you minimise waste and encourage recycling?

Our event produces minimal waste. We have minimal food vendors onsite and provide recycle bins for all waste. The sand used by the event is recycled and returned to the supplier who re uses it.

23 How will you support healthy outcomes as a part of your event?

http://www.onkaparingacity.com/onka/living_here/community/healthy_communities.jsp

The event is held outdoors, near the beach encouraging visitors to leave their home and spend their day outdoors in the fresh air while strolling through the sand sculptures to view and photograph them. Workshops are held at the event so that families can try their hand at the art of sand sculpting, providing them with the knowledge and appreciation of the art form.

We also encourage children to complete our activity sheet, which requires them to answer questions about the sand sculptures. This activity is designed to encourage full interaction between the children and their parents or carers.

We also encourage visitors to use the Adventure playground and stay for a picnic, visit the beach or simply stroll through the Port Noarlunga township to enjoy the cafes, restaurants and shopping.

In 2016 an activity called "Being a Beach Detective" – was introduced to the event – encouraging visitors to learn about the foreshore and sea creatures as they walked from the car park to the event area – due it's popularity it was implemented again in 2017.

In 2017 – in conjunction with the Council we offered residents of the City of Onkaparinga a 20% residents discount when visiting the event – enable residents an incentive to visit the event, learn about this art form and enjoy the surrounds on offer to them. This will be expanded upon in 2018 – if application successful.

24 How do you propose to undertake a professional evaluation of your event?

We are able to conduct survey research on site at the event via our trained staff. For 2018 we will conduct survey research on a target sample size of 750. The research questions will include, but are not limited to:

- Age of guests
- Location travelled from (home)
- What encouraged you to visit the sculptures
- Sponsor recognition
- Event satisfaction (value, activities, sculptures, etc.)
- Length of stay in the region (other planned activities)

In 2017 – our research enabled us to obtain feedback from 550 visitors who answered our survey and we also collected responses from 2,189 people at our ticket box regarding postcodes and how they heard about the event.

Added to this The City of Onkaparinga also undertook their own research through inside out promotions and marketing – achieving similar results to Sandstorm Events data.

ORGANISING COMMITTEE

Outline the membership of your event organising committee including the role they play in supporting the delivery of the event. *Position titles have been given as examples only, please modify as necessary.*

Name	Position	Qualifications and experience (in relation to the position)	Key duties performed
Sharon Redmond	Director	Over 30 years event management experience. Owned and operated Sandstorm Events for the past 14 years. In this time has organised over 25 major sand sculpture exhibitions. She has also been manager of Channel 9's Carols by Candlelight for the past 11 years and Chairman of Frankston Tourism for 6 years	Oversee management of team Quality of Operations Delivery of Event KPI Manage Relationships
Peter Redmond	Operations Manager	Peter has had 12 years operations experience in sand sculpture events. He has worked with Sandstorm Events since its inception and understands completely all required elements of a successful bump in and bump out of sand sculptures.	Peter will assist in the management of the event bump in and bump out including the preparation of the site layout and plan, organisation of event infrastructure, compliance to OH&S and be the point of contact for onsite liaison.
Tracey Wall	Safety Officer	Owner of Safety in Numbers and respected Safety Consultant.	Tracey will review of all SWMS, Safety Manuals and training logs.
Shelby Redmond	Marketing, Communications and Sponsorship Manager	Shelby has worked for Sandstorm Events since 2000 in junior site roles and office administration (part time). After finishing her Marketing and Communications degree in 2014, Shelby joined the Sandstorm Events team full time taking on the Marketing and Communications Manager role with innovative eyes and a knack for the successful integration of social media into the company's marketing strategies.	Media liaison, media kits, signage and event collateral, social media monitoring, IMC. In 2016 with an extremely Short lead time Shelby secure In kind support for the event From Channel 9, Nova, Adelaide's Child, White Marquee, Streets and Adamic. It is hoped with longer lead Time in 2017 she can add to This list of sponsors – enabling Us to keep the entry price of Event at its current price point
Jenna Stanley	Events Coordinator	Jenna is in her third year with Sandstorm Events have recently graduated from an Events Management course	Staff recruiting & training, site management, contractor liaison and site compliance
ivent Management Co	ommittee	No. of volunteers 0	5 Sandstorm Staff and 25 casual event staff (recruited locally)

25b)	How frequently does the event or	rganising committee meet?					
	The Sandstorm Events team works together on a daily basis. In the lead up to the events we will work with timelin documents to meet the event needs and requirements. All documents around events are available and accessible by any team member any time through Google docs. Regular weekly phone calls and reports keep our host council updated on the event progress.						
26a)	Are you working in conjunction with any other organisations to plan and deliver the event? (eg State/Commonwealth Government Departments; local business associations, local businesses, peak sporting bodies, tourism associations, community groups) We would, however like to work with the City of Onkaparinga to engage the local businesses on:						
	1 cross promotional opportunitie2 visitor engagement programs	es with the event					
26b)	If yes, please list the names of th	e organisation/s and outline their role and responsibilities	es:				
	Name of organisation	Role/responsibilities					
			-				
STRA	with the delivery of the event? N/A – we recruit, train and emplo TEGIC ALIGNMENT	by locals to assist our team with the day-to-day running	of the eve	nt.			
	-		20.000				
27	specific reference to any relevant is available at http://www.onkaparingacity.com, Key areas in the community plan	port the Goals and Objectives of our Community Plan 20 goals and objectives/strategic actions. (A copy of our Community Plan 20 goals and objectives/strategic actions. (A copy of our Community Policies_strategies/strategies_plans/community that the event will support include:	Community	Plan 2	<u>2035</u>		
	Objective 1.1 - Active diverse destinations Our exceptional rural, coastal and natural landscapes, vista's and cultural places continue to underpin our lifestyle (achieved through the place making strategy)						
	The sculptures are beautiful works of art carved from sand - a natural product. They sit beautifully within the landscape of the beaches in the City of Onkaparinga. The site selected showcases the beautiful coastline on one side and the rugged beauty of the flora and fauna on the other side.						
	The art of sand sculpting fits in well within our Australian beach culture						
	The sculptures are a great way	to introduce the beauty of the region to visitors.					
	Objective 2.2 - Dynamic and safe						
		lively, accessible and draw people together with a range ther (achieved through the community safety strategy 20		unities	to		
	groups, backgrounds and intere	appeals to all facets of the community - from different a ests. An event that can be visited regularly - and due to visiting friends and relatives to the event with pride.			res,		
	Businesses, Council and the community can partner with the event to provide opportunities to deliver the community vision.						

- Our event can be used as a vehicle to promote the councils annual calendar of local community events
- Sandstorm Events is happy to offer pro bono work experience in the area of event management and marketing expertise to community groups and students
- Families and visitors can participate in sand sculpting competitions or interact with sculptors during speed carving, tours and talks.

Objectives 2.3 - The city is recognised for supporting the development of local artists and for our communities experience, diverse arts and cultural expression (achieved through the community capacity and cultural development strategy)

- Sand sculpting is an emerging art form in Australia. At present we only have around 14 sand sculptors in Australia - with none of them residing in South Australia.
- The event provides the opportunity for local artists (with some skills and interest in sculpture) to work alongside a sculptor (while the interactive sculptures are being built) and be introduced to this art form. If they display skills and passion the opportunity exists to enter our Sand Sculpting Australia sculptor intern program (offered to 2 people per year)
- The event provides the opportunity for local schools (both primary and secondary) to attend the event to view the sand sculptures, learn the difference between beach sand and 'bricky' sand and to participate in a sand sculpting workshop.
- The event also provides the opportunity for local students (interested in event management) to work alongside our trained staff as part of their education.
- We can also offer local art schools the opportunity to spend a weekend at the event painting their interpretation of the sculptures. These paintings could then form an art exhibition with the sale of the paintings going to charity.

Objective 3.2 - The city is recognised as a valuable destination for talent, tourists, workforce and investment. Visitor numbers across our city continue to increase with people coming to experience our unique food, wine, environment, heritage and events.

- Sand Sculpting is a proven tourism destination event. In the last four years it has attracted over 110,000 visitors to Port Noarlunga. This created in-scope expenditure in the region exceeding \$8,690,000.
- Research also identified that 82.7% of visitors' main reason for visiting Port Noarlunga was to see the sand sculptures and increase of 1.4% on 2016.
- Describe any links to the <u>South Australian Tourism Plan 2020</u>, <u>Strategic Management Plan</u> and the <u>Fleurieu</u> Peninsula Destination Action Plan 2015-2017

The attraction of tourism and economic benefit to the region as well as the promotion of the City of Onkaparinga as a tourism destination and desirable place to live

- 29 Describe any other partnerships or strategic links with organisations that may be relevant to the event?
 - We can work with local restaurants and cafes to promote their offerings
 - > We can work with other tourism attractions in the area to create special cross promotional opportunities
 - We can offer local community groups, local produce and local artists the opportunity to have a stall at the event on a nominated day or weekend.

We can work with local schools to offer them the opportunity for their students to be exposed to this art- form and for local photography students to photograph them

COMMUNITY BENEFIT

30 How have you identified the need for this event?

Discussions and evaluations of reports between the City of Onkaparinga and Sandstorm Events has enabled us to identify the need for the event to once again be presented in 2018 as the economic benefit and community engagement is too great of an opportunity to pass on.

31 Who have you consulted to establish this need?

The City of Onkaparinga events team and Sandstorm Events have worked together to discuss the previously held event and what its benefits and positive impacts were to the community and to the region - therefore establishing the need to continue the event.

32	If applicable, please describe how you will promote your event to attract marginalised identifying as Aboriginal, people from culturally and linguistically diverse (CALD) backg young people, and seniors.						
	We provide discounted entry to all concession card holders and accept the carers card						
	Free entry for carers and children under 3yrs						
	Our event is fully accessible						
	We provide 20% discounted entry for all residents of the City of Onkaparinga						
	We will provide 350 complimentary tickets to the City of Onkaparinga to distribute to t community that are facing financial hardship and would like to experience the event	hose m	ember	s of the			
	We will continue to work with Channel 9 to provide the Channel 9 Family Fun Day (wheevent free on the final Sunday of the event)	nereby	childre	n enter the			
33	Describe how the community will benefit from the event, including making specific refeabove groups you have identified? (Note: benefits to local businesses should be captul benefits section)						
	As the event is proposed to be a ticketed event (same as 2017 event) we propose to a children on the last Sunday of the event period – promoted as the Channel 9 Family Fo			e entry for			
	We will provide 350 tickets (through the City of Onkaparinga) to be available for dispersionally disadvantaged, Indigenous Australians and mature aged/seniors have the opporting event.						
	In addition, the workshops and activities will be in a position that is accessible for peo- also enable those with cultural and linguistic diversities to partake in something new, re discover new artistic opportunities.						
	It is expected that it will positively impact and maximize opportunities for people to at these related events with the exhibition operating all seven days of each week from 10 public holidays)						
	A key feature to the overall event is that it will be accessible to all members of the community based on the inclusion of a free entry for children day and holds strong to the family focus throughout.						
	The opportunity to participate in sand sculpting workshops, sand art and sand bottle activities (at a cost to cover materials) will encourage community engagement and participation. The workshops, tours (included in entry) and talks (included in entry) free face painting, interactive photography and large family game zone will take place over the duration of the exhibition.						
	A key value to the community will be realized through participating with local community groups to hold complementary activities throughout the duration of the exhibition. This includes opportunities to partner with Surf Life Saving South Australia to offer beach activities such as beach sprints, flags and general beach safety awareness.						
	The City of Onkaparinga's Sustainable Onkaparinga and the Hook Line and Sinker state-wide fishing debris recycling project have potential to be involved to raise awareness regarding the importance of biodiversity and the benefits of recycling, especially in relation to the local marine environment.						
	We will explore the opportunity for local OHSC groups to attend the exhibition and participate in beach/water safety sessions.						
	Partnering with the local community groups will support the awareness of these local of providing a valuable education component to the visitor experience and enhancing the which encourage visitors to stay in the area longer, and therefore increasing economic	intera	ctive or	otions,			
34a)	Is the opportunity available for anyone in the community to participate in the event (e.g. a competition or contest of some description).	Yes					
34b)	If yes, how?						
2.0,	Through participating in free sand sculpting workshops						
	2. Talks and Tours (free)						
	 Local artists interested in sand sculpting can apply to work alongside sculptors who pieces (must have some experience in sculpture across other mediums) (free) 	en they	are ca	rving demo			
	Sand art and sand bottle workshops (activity charge \$)						

34c) 34d) 35a)	businesses, community yes, how? We are also exploring weekends.	vailable for anyone in the com nity organisations, volunteer go ng the opportunity of running a		Yes					
	We are also explorir weekends.	ng the opportunity of running a	a community activation outside the e	wont or					
35a)	We also engage a lo	ocal club to manage and imple	ment our traffic management plan	event or	n one c	of the e	event		
	Is there a cost for p varies, please provide	eople to participate in and/or a de a breakdown)	attend the event? (if the cost	Yes					
35b)	What is the cost to	participate in the event?		\$ N//	4				
35c)	What is the cost to attend the event? \$6 child, \$8 concession, \$11 adult \$27 Family (2 ad/2ch , carers and children under 3 FOC						2ch)		
ECON	IOMIC AND TOURIS	M BENEFITS							
36a)	It is anticipated that is \$79 per person. U economic impact to	the event will attract 33,250 lsing this as a calculation, the the region	r region that will be derived from the people. The tourism value of a Day event will generate over \$2.6 million	Tripper dollars	Visitor in-sco	pe	7		
	Along with this, there is the additional value of the positive media that the event will generate for the region. As an example, we deliver an annual sand sculpture exhibition in Frankston, Victoria which has attracted over 1.2 million visitors to the area with an in-scope economic impact valued at \$63 million for the region along with a media value of \$5.5 million. Consequently the event is now viewed as being a significant event for the state, and not just regional Victoria and has recently received federal government funding to build a structure to house the exhibition enabling it to transition to an attraction in the summer of 2018/19 – planning application currently lodged with Council.								
36b)	How will you achieve	How will you achieve these benefits?							
	1. Through the delivery of a world-class exhibition and a solid marketing campaign – (and with the sculptures under structures to protect them from rain) we would anticipate that the event could attract higher interest than the 2017 event.								
	2. With the 95.7% attend again research result and the 92.4 % event satisfaction and the 87.6% saying they would recommend the event to friends and family - we can assume to leverage off these results to attain higher visitation for the proposed 2018 event.								
	Taking advantage the South Australian April school holidays would allow for a higher level of attraction for interstate visitors.								
	4. Once again capitalizing on social media to integrate community voice and the events social share-ability.								
37a)	 Promoting the event at our other events around Australia. How many domestic day trippers do you estimate will attend the event? 								
	Day	Estimated number of day trippers							
	14 Apr2018il – 29 April	32,250							
		3	-						

37b)	How many overnight stays do you estimate will occur in accommodation in the City of Onkaparinga region as a	a
	result of this event?	

Sandstorm Events will be requiring for its sculptors, staff and operational team a total of 246 overnight stays

Our research also indicated that 4.4%% of our audience planned to stay for 1+ nights in the region – with the response for this question in 2017 being:

- 1 night stay 7
- 2-3 nights stay 6
- 4-10 nights stay 5
- Live Local 4
- Day Tripper 385
- What initiatives and/or cross promotion of tourist opportunities in the City of Onkaparinga region will you undertake to encourage extended stays (including overnight stays) for people attending your event?

 For 2018 we propose to:
 - To Offer to advertise the accommodation options and/or packages available when visiting the Sand Sculptures on our website with links back to the operators.
 - Work with local tourism operators and offer them discounted entry tickets to the event so that they can package
 - Hold an onsite famil for local tourism staff and operations so that they can understand the event and therefore promote it
 - We will promote the event at our other interstate events

We will work with local restaurants and cafes to see if we can pull together food and event packages to encourage extended day stays in the areaextended stays (including overnight stays) for people attending your event?

EVENT PROMOTION AND COUNCIL RECOGNITION

Note: this section will be read in conjunction with your event marketing plan and related marketing budget which must be submitted as a part of the Flagship event sponsorship application

39	How do you intend to advertise/promote the event? Please tick the boxes below which media options you
	intend to use to promote your event. Feel free to add any comments where applicable:

Tota	l value of advertising for the event	\$ 30,000 csh spend plus contra and PR
	Newsletter (please indicate whose) City of Onkaparinga	Paid Messenger newspaper advertising \$1,000
	Media release (please indicate medium) Usually 1 per week – via our database in the month lead up to the event and during event	Paid Advertiser and/or Sunday Mail newspaper advertising \$5,000 Adelaide Child - \$3,000
	Free coverage in print media (please indicate which publications) Adelaide Child Adelaide Review Weekend Notes Adelaide Advertiser Plsu, plus , plus – please refer to media summary provided for the 2017 event	Free radio advertising (please indicate station) Nova – \$12,500 contra
	Flyers/posters (please indicate where these	Paid radio advertising (please indicate which

		will be displayed)			station)	
		These are distribute the Council libraries and veroutlets, hotels and variable see media report locations placed in 201	nues, local tourism ous other locations – t for list of all		Nova - \$3,000 paid	
	☐ Website Promoted on SandSculpting Australia v and on other partners websites − refer media summary from 2017		websites – refer our		Social media (please indica mediums you intend to use We have an extensive social Adelady, little latter. Clam	e) al campaign –Including
		Free TV coverage/adve which channel) Channel 9 by sponsors \$100,000 News Stories also cond Channel 7 and ABC	hip – valued at		Adelady, little lattes, Glam Nova, Sandsculpting Faceb Significant bloggers, Kids in Adelaide Review, Adelaide Marketing summary for con Spend \$9,000 other sites / Events Facebook boosting	ook page n Adelaide,Play & Go Child, etc Please see mplete list
		Paid TV advertising (ple channel) \$0	ease indicate which		Other (please specify) Other SandSculpting Australian Held in Victoria, NSW.	alia event programs
		Direct emailing (please Sand Sculpting Australi			Roadside banners – we will Three banners and be guid	
		past attendees that ma	rket to – over 25,000		Best placement of these. \$	
40	local// We pl messa can se and S South For th comm statev All of	is the proposed geograph Adelaide/statewide/intersion on capitilising on a variaging plus some interstate agment messages about the ydney (Our Facebook paga Australia, may provide plus localised messaging we unicate about the exhibit wide stimuli and our relatithese combined cover a little adelaide.	nic spread/distribution letate/international covera- riety of advertising for the targeted coverage. Us the exhibition to our fange has over 46,500 follourpose to extend their verwill use print publication, radio, sponsorship onship with Channel 9 1	age)? he ex ing so s and wers) visit to ons lik with I V wil	Best placement of these. \$ f advertising (i.e.	mented and localised communication tool we er states like Melbourne ntention of visiting gion during their stay. Adelaide's Child to publicity segments for romotion of the event.
41	local// We pl messa can se and S South For th comm statev All of audier What (e.g. s In 20: media Mail p In 20:	is the proposed geograph Adelaide/statewide/intersion on capitilising on a variaging plus some interstate agment messages about the degraph (Our Facebook page). Australia, may provide precedent messaging we unicate about the exhibitivide stimuli and our relativide stimuli and sover a lance. It the anticipated media of social media, interviews, provided the social media, interviews, provided the social media outlets across all different outlets across all different southern would be assumed the outlets will be achieved.	nic spread/distribution letate/international coverate tate/international coverage of the targeted coverage. Us the exhibition to our fange has over 46,500 follourpose to extend their version, radio, sponsorship onship with Channel 9 Targe geographical segment overage of the actual express editorial, news coverage express exp	age)? he ex ing so s and wers) risit to ons lik with I V wil hent a event werag gh le hanne tial m ore av	Best placement of these. \$ f advertising (i.e. hibition, which includes segrecial media as our advanced their friends located in other of the City of Onkaparinga research and a lova will allow for organised I provide for solid regional pand provide multiple touch point addition to proposed paid e, live streaming if applicable vel of media interest and cover 19, Channel 10, ABC, Adela	mented and localised communication tool we er states like Melbourne ntention of visiting gion during their stay. Adelaide's Child to publicity segments for romotion of the event. Dints to the right advertising e)? Verage from major ide Review, Courier event from major
41	local// We pl messa can se and S South For th comm statev All of audien What (e.g. s In 20: media Mail p In 20: media releas	is the proposed geograph Adelaide/statewide/intersion on capitilising on a variaging plus some interstate agment messages about the degraph (Our Facebook paga Australia, may provide propose localised messaging we unicate about the exhibitivide stimuli and our relativide stimuli and our relativide stimuli and our relativide scombined cover a lance. Is the anticipated media of social media, interviews, plus the 16 day sand sculpt outlets across all different outlets across all different lus coverage from South 18 it would be assumed the outlets will be achieved ses.	nic spread/distribution letate/international coverately of advertising for the targeted coverage. Us the exhibition to our fange has over 46,500 follourpose to extend their very will use print publication, radio, sponsorship onship with Channel 9 Targe geographical segment overage of the actual express editorial, news coverage editor	age)? he ex ing so s and wers) risit to ro risit to ro wers) like hors like wert werag gh le hanne hore av dvano	Best placement of these. \$ f advertising (i.e. hibition, which includes segrecial media as our advanced their friends located in other than the city of Onkaparinga research and the City of Onkaparinga research Adelaide Review and Nova will allow for organised Il provide for solid regional pand provide multiple touch point addition to proposed paid e, live streaming if applicable vel of media interest and cover 19, Channel 10, ABC, Adela nummy bloggers.	mented and localised communication tool we er states like Melbourne ntention of visiting gion during their stay. Adelaide's Child to publicity segments for romotion of the event. Dints to the right advertising e)? Verage from major ide Review, Courier event from major
41	local// We pl messa can se and S South For th comm statev All of audien What (e.g. s In 20: media Mail p In 20: media releas Do yo	is the proposed geograph Adelaide/statewide/intersion on capitilising on a variaging plus some interstate agment messages about the degraph (Our Facebook paga Australia, may provide propose localised messaging we unicate about the exhibitivide stimuli and our relativide stimuli and our relativide stimuli and our relativide scombined cover a lance. Is the anticipated media of social media, interviews, plus the 16 day sand sculpt outlets across all different outlets across all different lus coverage from South 18 it would be assumed the outlets will be achieved ses.	nic spread/distribution letate/international coverate tate/international coverage of the targeted coverage. Us the exhibition to our fange has over 46,500 follourpose to extend their version, radio, sponsorship onship with Channel 9 Targe geographical segments overage of the actual express editorial, news coverage express editorial, news coverag	age)? he exing so s and s a	Best placement of these. \$ f advertising (i.e. hibition, which includes segrecial media as our advanced their friends located in other of the City of Onkaparinga reset the Adelaide Review and Nova will allow for organised provide for solid regional production of the provide multiple touch provide multiple touch provide of media interest and cover of media interest of the led planning and targeted media interest of the led planning	mented and localised communication tool we er states like Melbourne ntention of visiting gion during their stay. Adelaide's Child to publicity segments for romotion of the event. Dints to the right advertising e)? Verage from major ide Review, Courier event from major
	local// We pl messa can se and S South For th comm statev All of audier What (e.g. 9 In 200 media Mail p In 200 media releas Do yoo	is the proposed geograph Adelaide/statewide/intersion on capitilising on a variaging plus some interstate agment messages about the ydney (Our Facebook page Australia, may provide pre localised messaging we unicate about the exhibitivide stimuli and our relativide stimuli and our relativide stimuli and our relativide stimuli and our relativide scombined cover a lance. Is the anticipated media of social media, interviews, play the 16 day sand sculption outlets across all different lus coverage from South 18 it would be assumed the outlets will be achieved ess. In have any partnerships/interviews.	nic spread/distribution letate/international coverate that international coverage is the exhibition to our fange has over 46,500 follour pose to extend their very will use print publication, radio, sponsorship on ship with Channel 9 Targe geographical segment overage of the actual express editorial, news coverage of the actual expression including Cl. Australia's most influent the same level, if not most through in-depth and actual expression in the proposed	age)? he exing so s and	Best placement of these. \$ f advertising (i.e. hibition, which includes segrecial media as our advanced their friends located in other of the City of Onkaparinga research and a constant of the City of Onkaparinga research and a constant of the City of Onkaparinga research and a constant of the City of Onkaparinga research and provide for solid regional pand provide for solid regional pand provide multiple touch point addition to proposed paid e, live streaming if applicable well of media interest and constant of the city of the place with media outlets? If (i.e. press advertisement, prosses, Celebrities &	nented and localised communication tool we er states like Melbourne ntention of visiting gion during their stay. Adelaide's Child to publicity segments for romotion of the event. Dints to the right advertising e)? Verage from major ide Review, Courier event from major edia calls and press

	Two EDM to database Giveaway Two What's On	
Nova radio	3 weeks promotion on What's On (BMAD) Nova Red Bus Onsite Air mentions Instagram Post	\$12,500
Various others	See marketing plan	\$32,500
		Total \$175,000

- 43 How will your event specifically enhance
 - 1. Advertise the event on our website (380,000 hits over Summer)
 - 2. Advertise the event on our Facebook page (46,500 fans)
 - 3. Assist council wherever required
 - 4. Will produce sponsor boards and event signage as a part of the event budget
- How will you recognise and promote our sponsorship of your event (please refer to the expected outcomes in the

Try to gain Through all advertising mediums, inclusive of, but not limited to:

- Sponsor board
- Banners/posters
- Fence wrap (if customized)
- Program
- Paid adverts (where art size and your logo guidelines make this possible)
- Press kits/releases

Sandstorm Events website and Facebook (where possible) media coverage by utilising media connections.the profile of our region?

Where will the City of Onkaparinga logo be displayed?

On all marketing collateral inclusive of, but not limited to:

- Sponsor board
- Banners/posters
- Fence wrap (if customized)
- Program
- Paid adverts (where artwork size and your logo guidelines make this possible)

Press kits/releases

FUND	FUNDING DETAILS						
46a)	What is the total cost of the event?	\$275,135					
46b)	What is the cash sponsorship amount you are requesting from council?	\$65,000					
46c)	What is the value of the in-kind support that you are requesting from council? (Please refer to the event application form for a list of available options and related costs) NOTE: not more than 50% of the total event cost (cash + in-kind sponsorship) can be requested.	\$5,000					
46d)	What is the value of your cash contribution for the event? (we carry the risk – if ticket sales don't cover event costs)	\$50,000					
47a)	What is the value of your in-kind contribution for the event? (as sourced by our marketing team)	\$175,000					

47b)	Please describe the in-kind support (and it's value) that you are requesting from us?	\$							
	(Please refer to the attached <u>event application form</u> for a list of available options and related costs) NOTE: not more than 50% of the total event cost (cash + in-kind sponsorship) can be requested.								
	Waste Management								
	Power								
	Site								
	Traffic Management								
48a)	Could your event proceed if only partial funding was received? (Yes but some of the growth opportunities planned may need to be scaled back)	Yes							
48b)	If yes, what changes will be made to enable the event to still proceed?								
	We could proceed with partial funding but the % to Council would either need to be reduced by the could proceed with partial funding but the % to Council would either need to be reduced by the could proceed with partial funding but the % to Council would either need to be reduced by the could proceed with partial funding but the % to Council would either need to be reduced by the council would eith	ced or	remo	ved.					
	\$65,000 plus support as per 2016 (Council would receive 25% of the event profit)								
	\$55,000 plus support as per 2016 (Council would receive \$10% of the event profit)								
	\$50,000 plus support as per 2016 (Council would receive 5% of the event profit)								
	Other options: (These would be less desirable options to us as it would impact on the eve	nt exp	erien	ce)					
	We would not place structures over the sculptures to protect them from the rain								
	We could also increase the entry fee								
	We could reduce the amount of sand and therefore sand sculptures carved								
	We could reduce the free activities								
49	What is your strategy for attracting additional cash sponsorship and/or in-kind contribution	ns for t	the ev	vent?					
	The opportunity exists to collaborate with the City of Onkaparinga to attract significant specustomised sponsorship packages given the profile of the success of the 2017 exhibition – off by City of Onkaparinga early. In 2017 – by the time the location was finalised and contwere only a few months out from the event opening.	if the	even	t is signed					
	Sandstorm Events has already started to liaise with national media providers to try and at sponsorship.	tain na	itiona	i:					
	We have already sourced media in kind support totalling \$176,000								
	In collaboration with the City of Onkaparinga we will develop customised corporate sponsor attract sponsors, with a sponsorship target of \$40,000 (for the exhibition – either cash or			iges to					
50	What sponsors do you currently have in place								
	Currently there are no sponsors secured for the 2018 event. With the event only just finish ago – we have just finalized reports and acquitted the grant funding for Council and our electron.								
	However all early indications are that the 2017 event sponsors are keen to again align wit and we are also excited that the event could be signed off earlier this year allowing Sands lead time to source sponsors and arrange structures to house the sculptures.								
	Our 2017 sponsors (all goods in kind) were Channel 9 Nova								
	Streets								
	Adelaide Child Adamis Sand								
	White Marquee								

51a)		r organisation received sponsorsh ncial years?	ncii in the last	Yes					
51b)	If yes, pl								
	Year Name of Sponsorship/Grant Name of event funded Amount \$					Has the grant been acquitted?			
	2015	Tier 1 Sponsorship Program	Sand Sculpting Australia "Disney Princess & Pirates"	65,000 cash	Yes			Е	
	2016	Tier 1 Sponsorship Program	Sand Sculpting Australia "A Day at the Zoo"	65,000 cash	Yes			Е	
	2017	Tier 1 Sponsorship Program	Sand Sculpting Australia " Alice in Wonderland"	40,000 cash	Yes			С	
APPR	OVALS								
52	from Cou this Note: if obtaine	vent takes place on council or pu uncil or the land manager? <i>Coun</i> your event is being held on C d. Please contact Angela Cah Donkaparinga.sa.gov.au	cil's event team normal Council land a permit mu	ly arranges st be	Yes				
53	being a organis prior to	s where the proposed event lo site of environmental and/or ers must secure any pre-requ submitting the Flagship Even ur event require any other council	cultural significance, evisite permits and/or lice isite permits and/or lice it sponsorship application	vent enses upfront on.			No		
	approval	s?							
54	If yes, h	ave the approvals been obtained?					N/A		
55		utline what the approval is neede unds will not be released until con		d regarding the	permit/	approv	als)		
56	Do you h	nave any further information that	is relevant to your application	on?					
INCO	ME AND I	EXPENDITURE STATEMENT		2000					
57	An Incor	me and Expenditure Statement m	ust be submitted as an atta	chment with yo	ur appli	cation.			
	These n labour h 'in-kind'. www.on	nme column must detail all incompust include all cash contributions ours (refer to the Flagship event A list of available options and rekaparingacity.com/grants), and a ses, State and Federal Government	s*; all in-kind contribtions s sponsorship guidelines: Fre lated costs is outlined on th dditional grants/sponsorshi	uch as donated quently Asked Q e sponsorship p	materia Juestion age of	ls and s for a	volunte definit	eer	
		ome statement must also include quested from us.	the cash sponsorship amou	nt and the value	of any	in-kind	d suppo	rt	
	equipme labour h	enditure column must detail all each and venue hire where appropriours (these can be included as the grand promoting the event; any	riate; any labour and contra ney would be an expense ha	ctor fees including they not been	ng the donate	value o	f volun costs		

DECLARATION

Please read and tick the appropriate boxes. All required documentation must be submitted with your application. Incomplete applications may be penalised during the assessment phase.

I have read a	and understand the Flagship (Tier 1) Event S	Sponsorship Guidelines	Yes	
I have enclos	ed a copy of our current Public Liability Ins	urance certificate	Yes	
I have enclos	ed an Event Application for my event (if ap	plicable)	Yes	
I have attach	ed a copy of the Income and Expenditure s	tatement	Yes	
Authorised si	gnature of applicant			
Name	Sharon Redmond			
Signature	5. Reconors	SO .		
Position	Director	Date 18 August 2017		
Counter sign	atory of Management Committee or Principa	al (where applicable)		
Name				
Signature				

Date

Please sign your completed form by hand and keep a copy for your records.

Options for submitting your completed Flagship Event Sponsorship application includes:

· posting to:

Position

Attention - Tina Hyde City of Onkaparinga PO Box 1 NOARLUNGA CENTRE SA 5168

- faxing to (08) 8382 8744 marked: 'Attention Tina Hyde'
- emailing to mail@onkaparinga.sa.gov.au marked: 'Attention Tina Hyde'
- hand delivering in an envelope marked: 'Attention Tina Hyde' to one of our council offices located at:
 - o Aberfoyle Hub The Hub, Aberfoyle Park
 - Aldinga 11 Central Way, Aldinga Beach
 - o Noarlunga Ramsay Place, Noarlunga Centre
 - o Willunga St Peters Terrace, Willunga
 - o Woodcroft 175 Bains Road, Morphett Vale

Enquiries regarding the return of the completed application form should be directed to Tina Hyde, Administration Officer Community Relations on (08) 8384 0038 or email mail@onkaparinga.sa.gov.au

DRAFT Adelaide Budget 2018

inclusive of GST

	Sandstorm Cost				Le	INCOME		***		-
Туре	Description	Actual Cost	Description	Unit Price	Q.ty Est.	Q.ty Act.	Days/Weeks	Estimated Reevenue	Note	
	Sculptors Fees	\$40,385.00		1	1		1			
	Sculptors Fees for service (no GST)									
	Sculptors Airfares & Transfers	\$9,000.00			-	-	-			
	Sculptors & Pound Crew	8.00								
	Accommodation	\$9,750.00				2				4
	Sculptors Food per diem	\$5,440.00								4
2-30	Resident Sculptors fees									-
Scuptors		\$64,575.00								
	Site Management	\$8,000.00	7.							
	Staff Event	\$33,263.07								
	Security	\$10,650.00								1
	StaffOffice & pre Panning	\$12,006.00								4
	Staff Airflight & Transfer	\$5,100.00								4
										4
Staff & Mgt	l	\$69,019.07								ш
	Ticket Office	\$1,850.00								1
	Fence	\$3,500.00				·				
	Garbage Bins	\$112.00			×		-			
	Constitution of the Consti	75000				7				
	Marquees (To cover the Sculptures)	\$55,000.00				1,00				4
	Toilets	\$2,300.00	h .		7					4
	Marquees (Activities)	\$10,500.00								4
	Traffic Mgt (Plan for council)	\$1,000.00								-
	Signage Container Movements	\$1,000.00								+
	Container Movements travel allowance (trailer)	\$8,500.00 \$1,538.00	t l							+
	Misc (Hoses, Ropes)	\$4,200.00								+
	imac (noses, nopes)	34,200.00		-						+
	Event Furniture/Dressing (Ball flag)	\$1,000.00					-	-		
	Glue	\$1,500.00								1
	Site Office Expenses	\$350.00								1
	POUND UP	\$13,500.00								1
	BUMP OUT	\$6,000.00	>							1
Site OPS					V-1					
Site OF 3		\$111,850.00								4
	Marketing - see marketing plan for breakdown	\$30,000.00				1				ш
	bjeakdowii	330,000,00						+		+
	Value of donated contra marketing	\$175,000.00								4 0
	value of donated contra marketing	\$0.00	-							1
		\$0.00								+
Name and Address of	N .	1000	4							
Marketing/PR		\$205,000.00				50060				
	Insurance - Event	\$500.00		\$11.00		6900	1	\$75,900.00		-
-	Traffic Mgt (Plan for council)	\$0.00		\$6.00		5,100	1	\$30,600.00		-
	Stationery ice cream & drinks	\$750.00 \$9,500.00		\$27,00 \$6.00		2,750 300	1	\$74,115.00 \$1,800.00		+
	Telephone		Concession Card	\$8.00		4,100	1	\$32,800.00		+
-	Audit/Legal	\$350.00		\$8.00		4,100	1	\$32,800.00		4
	Addity Legal	\$330.00								1
			Balance made up of							Т
	Bank fees		FOC, Under 3 and FOC			3,800	-			4
	Misc Event Costs	\$5,000.00								4
	Fairy Floss/Chips/Coffee supplies	\$2,000.00								
Event Cost		\$20,250.00								
				Gate Takings						
				(including						
			-	Groups)	1	7		\$215,215.00		
			_	Goods in Kind				\$17F 000 00		1
				100000				\$175,000.00		
			1	\$65,000 cash						
				(incl GST)				\$71,500.00		
				12.00 -2.01						
Event Total		\$430 cos co	Supri Par					\$464 74F 00		
Event Total		\$470,694.07						\$461,715.00		
			Kiosk	\$0.00	_		1	\$16,000.00		1
	. 1811.0.0		Hot Food van	\$0.00	_		1	\$0.00		4
	Sand Pit & Games Zone		Sand Bottles	\$0.00	_		1	\$0.00		-
	Sand Art	\$0.00	Sand Art	\$0.00	0		1	\$0.00		-
	Miss (tubs toothaids band tours)	6200.00				1				
	Misc (tubs, toothpicks, hand towel)	\$300.00			-					4
15.								1000000		-
Activities		\$3,800.00						\$16,000.00		
				1						
	TOTAL (GST INCLUDED)	\$474,494.07						5477,715.00		
	GST	\$43,226.00						\$43,428.00		
	PATE TO SERVICE TO SER	243.440.00						242/452000		

Event cost less marketing contra	\$299,494.07	
Income expected - Gate takings +	Kiosk (not incl in kind or Tier 1	\$231,215.00
funding	Event net cost (incl GST)	\$68,279.07

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9.17 Legal Services Summary

This is a regular or standard report.

Report Author: Desma Morris, Manager Governance

Contact Number: 8384 0734

Attachments: 1. Legal services summary July-September 2017

(4 pages)

1. Purpose

To provide a report to Council of quarterly expenditure legal services sought by the City of Onkaparinga, Freedom of Information requests and formal requests for information by external agencies.

2. Recommendation

That Council note the report and the summary of legal services received, as attached to the agenda report.

3. Background

At the Council meeting of 18 July 2017, Cr Deakin moved that a previous motion requesting legal reports monthly be revoked and successfully put forward the following motion:

- 1. That the Chief Executive Officer present a quarterly "Legal Issues" report to Council, that (subject to confidentiality restraints) provides the costs and details of all new or continuing, legal issues, legal advice sought, including Freedom of Information requests and any formal requests for information from external agencies or persons.
- 2. That a historic report of Council's expenditure on legal advice and the subject of that advice be maintained on the Elected Member web site.

4. Financial Implications

The City of Onkaparinga's legal costs are provided through the existing budget process. Legal costs for financial year totals are reported in Council's Annual Report, provided below:

Year	Legal expenses (\$)
1 July - 30 Sept 2017*	166,000
2016-17	615,000
2015–16	633,000
2014–15	754,000
2013–14	526,000

463

Costs incurred via the Freedom of Information (FOI) process are also provided through the existing operational budget.

Year	FOI internal processing costs (\$)	Monies received
1 July - 30 Sept 2017	\$2,393	\$256
2016-17	\$13,371	\$5,642
2015–16	\$7,631	\$1,150
2014-15	\$4,938	\$1,536

Concession card holders and Members of Parliament are exempt from payment (MP's exempt to a value of \$1000 per application) under the Freedom of Information Act 1991. These exemptions are well known by our frequent FOI applicants, and more than 70% of the applications lodged in this period were exempt.

Applications	Number
Dog/Community Safety	4
Vehicle	2
Facilities	2
Development	2
other	1
Total	11

During this quarter, the City of Onkaparinga received one External Review request from the Ombudsman's office in regards to a FOI determination.

6. Risk and Opportunity Management

Risk			
Identify	Mitigation		
Complex regulatory matters	Legal advice allows officers with delegated powers to proceed in a matter with surety and confidence in council's position.		
Opportunity			
1.1			
Identify	Maximising the opportunity		

^{*}Current year financial data is drawn from supplier invoices.

7. Additional information

The City of Onkaparinga, through its procurement subsidiary Council Solutions, entered into a contract with six legal firms for the provision of legal advice. The vast wealth of knowledge on offer through these firms provides council officers authorised to seek legal advice the confidence to pursue a course of action as necessary/required in their role.

A procedure governing the procurement of legal advice authorises senior levels of management (CEO, Directors and Managers) to seek advice. Components of the procedure require officers to:

- review past advice
- select appropriate firm/lawyer
- retain a record of advice received.

Attachment 1 to this report provides a summary of invoices received in July – September 2017, with the data for this attachment relying on invoicing statements from each of the six legal firms.

Please note that amounts shown do not include GST, but do include contract discounts, as negotiated by the Council Solutions contract.

Legal Provider	Requestor	Summary of Advice	Invoice Date	Individual transaction amount
Kelledy Jones Lawyers	Manager Development Services	Planning matter	4/07/2017	2455.87
Kelledy Jones Lawyers	Manager Community Safety	Dog Control Order	4/07/2017	786.25
Kelledy Jones Lawyers	Manager Governance	Governance advice	4/07/2017	2767.2
Kelledy Jones Lawyers	Manager Finance	Rating advice	4/07/2017	418.5
Kelledy Jones Lawyers	Manager Development Services	Planning matter	4/07/2017	216.45
Kelledy Jones Lawyers	Manager Governance	Governance advice	4/07/2017	1540.12
Kelledy Jones Lawyers	Manager Development Services	Compliance matter	4/07/2017	1224.66
Norman Waterhouse	Manager Culture & People	Employment advice	7/07/2017	1932.3
Norman Waterhouse	Dir City Operations	Contractual advice	28/07/2017	649.6
Norman Waterhouse	Manager Property & Commercial	Property matter	28/07/2017	825.6
Norman Waterhouse	Manager Community Safety	Dog related matter	28/07/2017	708
Norman Waterhouse	Manager Culture & People	Employment advice	28/07/2017	1177.4
Norman Waterhouse	Manager Development Services		28/07/2017	8995.4
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	28/07/2017	6220
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	28/07/2017	1500
Norman Waterhouse	Manager Community Safety	Dog related matter	28/07/2017	1664.6
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	28/07/2017	601.8
Norman Waterhouse	Manager Development Services	Planning matter	28/07/2017	655.2
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	28/07/2017	1779.4
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	28/07/2017	203
Norman Waterhouse	Manager Community Safety	Australian Road Rules	28/07/2017	1095.2
Norman Waterhouse	Manager Construction &Projects	Infrastructure agreement	28/07/2017	3197.4
Minter Ellison	Manager Development Services	Planning matter	31/07/2017	610
Minter Ellison	Manager Development Services	Planning matter	31/07/2017	2950
Minter Ellison	Manager Development Services	Planning matter	31/07/2017	2305.7
Minter Ellison	Manager Development Services	Planning matter	31/07/2017	2577
Minter Ellison	Manager Development Services	Land division advice	31/07/2017	6850
Minter Ellison	Manager Development Services	Land division advice	31/07/2017	2247.8

Legal Provider	Requestor	Summary of Advice	Invoice Date	Individual transaction amount
Minter Ellison	Manager Property & Commercial	Commercial lease arrangements	31/07/2017	1654.4
Norman Waterhouse	Manager Economic Growth & Investment	Contractual advice	1/08/2017	649.6
Norman Waterhouse	Manager Libraries	Contractual advice	1/08/2017	2423.8
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	2/08/2017	637.2
Kelledy Jones Lawyers	Manager Development Services	Planning matter	3/08/2017	39.51
Kelledy Jones Lawyers	Manager Development Services	Compliance matter	3/08/2017	1131.49
Kelledy Jones Lawyers	Manager Community Safety	Dog Control Order	3/08/2017	1722.11
Kelledy Jones Lawyers	Manager Governance	Meeting advice	3/08/2017	227.93
Kelledy Jones Lawyers	Manager Governance	Meeting advice	3/08/2017	136.75
Kelledy Jones Lawyers	Manager Finance	General advice	3/08/2017	91.18
Kelledy Jones Lawyers	Manager Finance	General advice	3/08/2017	364.68
Kelledy Jones Lawyers	Manager Development Services	Planning advice	3/08/2017	316.06
Kelledy Jones Lawyers	Manager Development Services	Compliance advice	3/08/2017	2750
Kelledy Jones Lawyers	Manager Community Safety	General advice	3/08/2017	137.77
Kelledy Jones Lawyers	Manager Development Services	Compliance matter	3/08/2017	2806.23
Norman Waterhouse	Manager Development Services	Planning matter	9/08/2017	243.6
Norman Waterhouse	Manager Development Services	Planning matter	9/08/2017	1451.2
Norman Waterhouse	Manager Governance	Governance advice	9/08/2017	1185.8
Norman Waterhouse	Manager Development Services	Planning matter	9/08/2017	436.8
Norman Waterhouse	Manager Development Services	Planning matter	9/08/2017	1940.8
Norman Waterhouse	Manager Development Services	Land Management Agreement advice	9/08/2017	798.8
Norman Waterhouse	Manager Development Services	Land Management Agreement advice	9/08/2017	964.2
Norman Waterhouse	Manager Community Safety	Dog related matter	9/08/2017	1055.6
Norman Waterhouse	Manager Governance	Governance advice	9/08/2017	679.8
Norman Waterhouse	Manager Development Services	Planning advice	9/08/2017	1585.6
Norman Waterhouse	Manager Development Services	Planning advice	9/08/2017	773.4
Minter Ellison	Manager Development Services	Building advice	29/08/2017	1800
Norman Waterhouse	Manager Community Safety	Dog related matter	30/08/2017	1203.6

Legal Provider	Requestor	Summary of Advice	Invoice Date	Individual transaction amount
Norman Waterhouse	Manager Property & Commercial	General advice	30/08/2017	1583.4
Norman Waterhouse	Manager Development Services	Compliance matter	30/08/2017	8310.2
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	30/08/2017	4668.2
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	30/08/2017	2211.5
Norman Waterhouse	Manager Community Safety	Dog related matter	30/08/2017	1867.6
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	30/08/2017	121.8
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	30/08/2017	3015.2
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	30/08/2017	94
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	30/08/2017	1470
Norman Waterhouse	Manager Development Services	Planning matter - enforcement	30/08/2017	499.2
Norman Waterhouse	Manager Development Services	Planning matter - enforcement	30/08/2017	280.8
Norman Waterhouse	Manager Community Safety	Australian Road Rules	30/08/2017	933.8
Norman Waterhouse	Manager Community Safety	Australian Road Rules	30/08/2017	1413.6
Norman Waterhouse	Manager Community Safety	Australian Road Rules	30/08/2017	266
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	30/08/2017	1500
Norman Waterhouse	Manager Development Services	Compliance matter	30/08/2017	1981.6
Minter Ellison	Manager Development Services	Land division advice	31/08/2017	6372.3
Norman Waterhouse	Manager Strategic Futures	Dog related matter	31/08/2017	770.01
Minter Ellison	Manager Property & Commercial	Property matter	31/08/2017	3697.2
Norman Waterhouse	Manager Strategic Futures	Federal Court ordered discovery	31/08/2017	411.83
Kelledy Jones Lawyers	Manager Development Services	Compliance matter	5/09/2017	1191.32
Kelledy Jones Lawyers	Manager Development Services	Planning matter	5/09/2017	118.52
Kelledy Jones Lawyers	Manager Development Services	Planning matter	5/09/2017	1511.59
Kelledy Jones Lawyers	Manager Development Services	Planning matter	5/09/2017	2411.95
Kelledy Jones Lawyers	Manager Governance	General advice	5/09/2017	136.75
Kelledy Jones Lawyers	Manager Community Safety	General advice	5/09/2017	103.33
Mellor Olsson Lawyers	Manager Finance	General advice	7/09/2017	135.62

Legal Provider	Requestor	Summary of Advice	Invoice Date	Individual transaction amount
Minter Ellison	Manager Civil Infrastructure	Property matter	26/09/2017	960.7
Norman Waterhouse	Dir City Operations	Heritage advice	27/09/2017	3800
Norman Waterhouse	Norman Waterhouse Manager Development Services		28/09/2017	179.71
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	28/09/2017	299.52
Norman Waterhouse	Manager Development Services	Planning matter	28/09/2017	1426.15
Norman Waterhouse	Dir City and Corporate Services	Governance Advice	28/09/2017	5912.4
Norman Waterhouse	Manager Economic Growth & Investment	Contractual advice	28/09/2017	446.6
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	28/09/2017	1713.26
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	28/09/2017	663.2
Norman Waterhouse	Manager Community Safety	Dog related matter	28/09/2017	1364.16
Norman Waterhouse	Dir City Operations	Property matter	28/09/2017	542.25
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	28/09/2017	2858.21
Norman Waterhouse	Manager Development Services	Compliance matter - enforcement	28/09/2017	740.54
Norman Waterhouse	Manager Development Services	Compliance advice	28/09/2017	2403.27
Norman Waterhouse	Manager Development Services	Infrastructure agreement	28/09/2017	1502.11
Norman Waterhouse	Manager Property & Commercial	Commercial lease arrangements	28/09/2017	1318.4
Norman Waterhouse	Manager Culture & People	Employment advice	28/09/2017	2445.7
Norman Waterhouse	Manager Community Safety	Australian Road Rules	29/09/2017	401.81
Minter Ellison	Manager Property & Commercial	Property matter	29/09/2017	2284

Date Printed: 16 November 2017

9.18 Elected Members Allowances and Benefits

This is a regular or standard report.

Manager: Desma Morris, Manager Governance

Report Author: Therese Brunotte, Senior Governance Officer

Contact Number: 8301 7228

Attachments: 1. Extract Elected Members Allowances and Benefits

Register (5 pages)

1. Purpose

To provide a monthly report to Council containing an extract of the Elected Members Allowance and Benefits Register.

2. Recommendation

That Council note the agenda report and the Elected Members Allowances and Benefits Register extract as attached to the agenda report.

3. Background

Elected members are entitled to receive an allowance, reimbursement of expenses (both entitled and discretionary), facilities and support in accordance with the *Local Government Act 1999* (the Act) and Regulations.

The Elected Members Allowance and Benefits Register is required to be kept by legislation under Section 79 of the Act and is available for public inspection upon request.

Council resolved at its meeting of 18 July 2017 the following:

'That a monthly report be provided to Council containing an extract of the Elected Members Allowance and Benefits Register which outlines the previous month's details and a year to date total which should include elected member allowances (both allowable and claimed) as well as outlining reimbursement of expenses made for all other items including mileage, dependant care, telephone, internet, benefits paid for attendance at courses/conferences, sitting fees for local government committees, equipment and all other sundry benefits paid on behalf of individual elected members by the City of Onkaparinga.'

4. Financial Implications

The extract of the Register provides a summary of allowances, reimbursements, equipment and consumables.

The time required to produce a monthly report in this manner is in the order of approximately two hours.

5. Risk and Opportunity Management

Risk						
Identify	Mitigation					
Limited accountability to the community	Making the Register publicly available on a monthly basis via a report to Council enables transparency and accountability of the Council to its community regarding the use of public funds.					

Opportunity	
Identify	Maximising the opportunity
Inspecting the Register	Section 70 of the Act sets out that members of the public may request to inspect the Register. By proactively providing the details of the Register via a monthly report, Council is demonstrating transparency.
Transparency and accountability.	Reimbursements under section 77(1)(a) of the Act (prescribed expenses) are not required to be shown in the register, however, to ensure transparency and best practice the City of Onkaparinga's Policy sets out the Register of Allowances and Benefits records all allowances, benefits and support provided to elected members.

6. Additional information

Attachment 1 to this report provides an extract of the Elected Member Allowances and Benefits Register from July to November 2017. The extract contains a summary of allowances, reimbursements, equipment and consumables.

At the beginning of this Council term in November 2014, all elected members were offered the use of a Toshiba tablet and printer/scanner with the appropriate software and peripheral devices. The extract contains details of equipment provided to individual members and ongoing associated costs and consumables.

The Elected Member Allowances, Benefits and Support Procedure (Council policies & procedures) sets out the reimbursement entitlement amounts for travel, telephone and internet connectivity.

Explanatory notes

Payment - Elected Members claims for reimbursement are paid on the first business day of the following month, ie claims for August are paid on the first business day of September.

Claims – Members at times will submit one claim form for several months' worth of reimbursements. The total amount claimed for the overall period will appear in the Register in the month that it is paid. This explains the differing amounts for phone and internet expenses reflected in the Register.

Mobile phone - in lieu of the \$40 telephone reimbursement elected members were provided with the opportunity at the beginning of the term to take up the option of a Council supplied corporate mobile telephone - iPhone 6 or Nokia. The cost of the iPhone 6 is \$60 per month an additional \$20 above the \$40 reimbursement entitlement. Members supplied with an iPhone are required to pay this additional monthly cost. The cost of the Nokia falls within the \$40 reimbursement. Where an elected member has requested the inclusion of personal use of the phone, an additional \$10 is deducted monthly. These amounts are reflected in the Register as negative amounts.

Courses/conferences – expenditure for elected member attendance at courses/conferences for September and October is also detailed in the Elected Members Allowances and Benefits Register (attachment 1).

Mayoral benefits and support

As per the Elected Member Allowances, Benefits and Support Policy (the Policy) in addition to the support and benefits provided to elected members the Mayor is provided with:

- designated operational office space supported by a designated executive assistant
- exclusive use of a council vehicle for council business only. This equates to an approximate cost of \$360 per month.
- a council provided and supported mobile phone and internet connection.
- Use of a corporate purchase card as per the conditions outlined in the Policy with expenditure reported to Council in the Mayor's report at six monthly intervals.

Elected Member allowances and reimbursements

Name	Description	10.44				4042	Financial Year to date
11.5	All	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	total
M Bray	Allowance	1834	1834	1834	1834	1834	917
	Travel						
	Misc training expenses						1
	Phone						
	Internet						
Council provided equipment:	Printer						
		1834	1834	1834	1834	1834	9170
S Brown	Allowance	1834	1834	1834	1834	1834	9170
	Travel		292.38			142.03	434.43
	Misc training expenses						
	Phone					120	120
	Internet		180			180	360
	Paper (ream)		one				
Council provided equipment:	Printer, tablet, monitor,						
	keyboard and mouse						
		1834	2306.38	1834	1834	2276.03	10084.43
D Chapman	Allowance	1834	1834	1834	1834	1834	9170
е елирини	Travel	1004	1034	25.74	20,54	1054	25.74
	Misc training expenses			23.74			25.72
	Phone Phone		120	35			155
	Internet		179.7	59.9			239.60
White the second state of	Printer, tablet, monitor		1/9./	59,9			239.60
Council provided equipment:	keyboard and mouse						
		1834	2133.7	1954.64	1834	1834	9590.34
J Deakin	Allowance	1834	1834	1834	1834	1834	9170
2 7 5 5 10 10 1	Travel	1.000			1,577	1 60-51	(
	Misc training expenses			79.1			79.10
	Phone			120			120
	Internet			210			210
Council provided equipment:	Nil			210			
Countil provided equipment.	IVII	1834	1834	2243.1	1834	1834	9579.1
H Greaves	Allowance	1834	1834	1834	1834	1834	9170
n Greaves		1034	1034	1034	1034	1034	9170
	Travel						
	Misc training expenses	20	20	20	20	20	(
	Mobile Phone contribution	-30	-30	-30	-30	-30	-150
	Internet				840		840
Member 13 Dec 16-Nov 2018	Development Assessment Panel				2450		2450
Council provided equipment:	Printer, tablet, monitor,			- 1			
	keyboard and mouse.IPhone	1.4					
		1804	1804	1804	5094	1804	12310
J Gunn	Allowance	1834	1834	1834	1834	1834	9170
	Travel						(
	Misc training expenses						
	MACA DI						(
	Mobile Phone contribution	-10	-10	-10	-10	-10	-50
	Internet	-10	-10	-10	10	-10	(
Council provided equipment:	Printer, tablet, monitor.						-
Southern provided Squipment.	keyboard and mouse Nokia phone		- 11				
		1824	1824	1824	1824	1824	9120
G Hennessy	Allowance	1834	1834	1834	1834	1834	9170
	Travel						(
	Misc training expenses						
	Phone						
	Internet			1 51			(

Elected Member allowances and reimbursements

Name	Description	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Financial Year to date total
Council provided equipment:	Printer, tablet, monitor,						total
	keyboard and mouse.	2222	2000			1920	2792
D.11.05	Lance	1834	1834	1834	1834	1834	9170
R Holtham	Allowance	2292.50	2292.50	2292.50	2292.50	2292.50	11462.50
Deputy Mayor + Strategic Directions Chairperson 13 Dec 16- Nov 2017	Travel	193.38	132.4	\$165.26	100.98	269.81	\$861.83
	Misc training expenses	62.22					62.22
	Parking/travel costs	63.22			0.7	22.22	63.22
	Phone Phone	92.4	40	40	97	23.22	212.62
	CH 224 E 277	40	- 27	40	40		200
	Internet	70	70	70	70	70	350
	Paper (ream)		two				
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse.						
		2751.5	2534.9	2567.764	2600.48	2695.53	13150.17
W Jamieson	Allowance	1834	1834	1834	1834	1834	9170
	Travel						0
	Misc training expenses						7.5
	Phone	40	10	40	40		0
	10.00000000	40	40	40	40		160
	Internet	70	70	70	70		280
	Paper (ream)			one			
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse.						
		1944	1944	1944	1944	1834	9610
G Kilby	Allowance	1834	1834	1834	1834	1834	9170
	Travel	13920					0
	Misc training expenses						0
	Phone						0
	Internet						0
Council provided equipment:	Printer, tablet, keyboard and						
	mouse.						
LI Mauritt	Alleurenee	1834	1834	1834	1834	1834	9170
H Merritt	Allowance	1834	1834	1834	1834	1834	9170
	Travel						0
	Misc training expenses						0
	Mobile Phone contribution						
		-30	-30	-30	-30	-30	-150
L-3-2-2-2-2-2	Internet	59.95	59.95	59.95	59.95	59.95	299.75
Member 13 Dec 16-Nov 2018	Development Assessment Panel		700		700		1400
2010	Paper (ream)		, , ,	one	, 00		2,100
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse. iPhone			one			
		1863.95	2563.95	1863.95	2563.95	1863.95	10719.75
B Nankivell	Allowance	1834	1834	1834	1834	1834	9170
	Travel		89.76		190.08		279.84
	Misc training expenses	-					
	Phone						0
	1 2 2 2 2 2 2		7444				0
Council provided equipment:	Internet Tablet		128		64		192
		-			2088.08	1834	-

Elected Member allowances and reimbursements

Name	Description	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Financial Year to date total
L Nicholls	Allowance	1834	1834	1834	1834	1834	9170
	Travel	105 (1001	100.	100,	105	0
	Misc training expenses						0
	Phone			-			0
	Internet						0
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse.						
2 20 00	146	1834	1834	1834	1834	1.1	9170
G Olbrich	Allowance	1834	1834	1834	1834	1834	9170
	Travel						0
	Misc training expenses						0
	Mobile Phone contribution	-30	-30	-30	-30	-30	-150
	Internet						0
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse. iPhone						
		1804	1804	1804	1804	1804	9020
W Olsen	Allowance	1834	1834	1834	1834	1834	9170
	Travel	198			103.5.1	167.64	365.64
	Misc training expenses						0
	Phone	120				160	280
	Internet	210				280	490
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse.						
	Black toner		169				
		2362	2003	1834	1834	2441.64	10305.64
D Parslow	Allowance	1834	1834	1834	1834	1834	9170
	Travel						0
	Misc training expenses *Repayment to council for training meal expenses not required.		-131.10				-131,10
	Phone		80	40	40	40	200
	Internet		140	70	70	70	350
Member 13 Dec 16-Nov 2018	Development Assessment Panel						0
	Miscellaneous		15				15
	Business cards with photo	185.72					185.72
	4 colour toners		652				652
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse.		40000	4844		4044	
Mayor L Rosenberg	Allowance	2019.72	1937.9	1944	1944	1944	10441.62
wayor L nosemberg	Mobile Phone contribution	7336	7336	7336	7336	7336 -10	36680
	Travel	-10	-10	-10	-10	-10	-50
	Misc training expenses						
	who training expenses						
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse. iPhone Internet connection.						
		7326	7326	7326	7326	7326	36630

Elected Member allowances and reimbursements

Name	Description	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Financial Year to date total
P Schulze	Allowance	1834	1834	1834	1834	1834	9170
	Travel	189.42					189.42
	Misc training expenses				47		0
	Phone	40		80	80		200
	Internet	70		140	140		350
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse.						
		2133.42	1834	2054	2054	1834	9909.42
N Swann	Allowance	1834	1834	1834	1834	1834	9170
	Travel						0
	Misc training expenses						0
	Phone						0
	Internet						0
Council provided equipment:	Printer, tablet, monitor, keyboard and mouse.						
		1834	1834	1834	1834	1834	9170
M Themeliotis	Allowance	1834	1834	1834	1834	1834	9170
	Travel						
	Misc training expenses						
	Phone						
1	Internet						
Council provided equipment:	Printer						
		1834	1834	1834	1834	1834	9170
H Wainwright	Allowance	1834	1834	1834	1834	1834	9170
	Travel						0
	Misc training expenses						0
	Phone	200					200
	Internet	350					350
Council provided equipment;	Printer, tablet, monitor, keyboard and mouse.						
		2384	1834	1834	1834	1834	9720

Elected Member allowances and reimbursements courses/conferences

Month Provider	Course Title	Course Date	M Bray	S Brown	D Сһармап	J Deakin	H Greaves	J Gunn G Hennessu	R Holtham	B Jamieson	G.Kilby	HMeritt	B Nankivell	L Nicholls	G Olbrich	W Olsen	D Parslow	L. Rosenberg	P Schultze	N Swann	M Themeliotis	H Wainwright Sub totals
Sep-17 LGA	CEO Performance Review Training	14/09/2017						5333.3					\$333,33				\$333.34					\$1,000,00
Oct-17 LGA	Metropolitan Local Government Group Think Tank Luncheon	4/10/2017							No cost													\$0.00
			- 412	-		10.					- 1			-								\$0.00
							3															\$0.00
																						\$1,000.00

9.19 Council and Committee Reporting Schedule

This is a regular or standard report.

Manager: Desma Morris, Manager Governance
Report Author: Sue Hammond, Governance Officer

Contact Number: 8384 0747

Attachments: 1. Reporting Schedule (2 pages)

1. Purpose

This report provides an update on the reporting for upcoming Council meetings, Committee meetings and Elected member sessions.

2. Recommendations

That Council note the agenda report and Reporting Schedule (attachment 1 to the agenda report).

3. Background

This report is provided as per the following resolution of Council at its meeting of 21 March 2017:

That the item "Updated Work Program" from the agenda of the Strategic Directions Committee be duplicated as a monthly agenda item for Council meetings.

City of Onkaparinga - Online Report Schedule as at 13 November 2017

REPORT SCHEDULED	RESPONSIBLE OFFICER	DEPT	CF DWST	ATUS
Disability Service Review	Ranson, Terra Lea	os		0
Libraries Review CONFIDENTIAL	Cameron, Judith	OS		6
ARVEC meeting with Internal Auditor	Gostlow, Michael	GO		0
Draft 2018 ARVEC work plan	Gostlow, Michael	GO		0
Internal audit report - Volunteer management	Gostlow, Michael	GO		0
Results of the LGAMLS risk management review	Brown, Kathryn	GO		0
Risk management plan update	Brown, Kathryn	GO		0
Financial management report	Styler, Darren	FA		4
Implementation of external audit actions progress report	Sghendo, Sonia-Marie	FA		4
Service Review re Fees and Charges	Sghendo, Sonia-Marie	FA	1	0

CEO Performance Management Committee - 05/12/2017 REPORT SCHEDULED RESPONSIBLE OFFICER DEPT CF DWSTATUS

REPORT SCHEDULED	RESPONSIBLE OFFICER	DEPT CF	WSTATUS
Community Facility Planning	Morrissey, Matthew	CS	0
McLaren Flat to McLaren Vale Trail feasibility study	Queisser, Andrew	CS	6
Wearing Street Aquatics Precinct update	Fitzpatrick, Brian	CS	2
Updated Work Program	Hocking, Marianne	FA	0

REPORT SCHEDULED	RESPONSIBLE OFFICER	DEPT CF	DWSTATUS
BMX UCI Facility update report	Norris, Geoffrey	CS	0
Open Space Irrigation	Smith, Andrew	CS	0
Open Space SMP	Smith, Andrew	CS	0
Delivering Onkaparinga 2035	Jellings, Daniel	OS	0
Libraries Review CONFIDENTIAL	Cameron, Judith	OS	0
Place naming community engagement outcomes - Pembroke Drive reserve	Sutton, Dale	OS	0
ARVEC meeting minutes of 4/12/17	Hammond, Susan	GO	0
Council and Committee Reporting Schedule	Hammond, Susan	GO	0
Council flag management procedure	Brunotte, Therese	GO	0
EM Allowances and Benefits	Brunotte, Therese	GO	0
Mayor's report	Goulding, Wendy	GO	0
Strategic Directions Committee minutes of 5/12/17	Hammond, Susan	GO	0
Proposal to commence a road closing process and dispose of a portion of Highview Court at Hackham	Manuel, Luke	FA	Ō

Strategic Directions Committee Meeting - date to be confirmed - 16/01/2018

REPORT SCHEDULED

RESPONSIBLE OFFICER DEPT CF DW STATUS

Council meeting - date to be confirmed - 30/01/2018

REPORT SCHEDULED

RESPONSIBLE OFFICER

2018-19 Grants and Sponsorship - invite EM McIntyre, Janice

OS

Onominees

Strategic Directions Committee meeting - date to be confirmed - 06/02/2018

REPORT SCHEDULED RESPONSIBLE OFFICER DEPT CF DW STATUS
Community Facilities Coordination - District Ranson, Terra Lea OS 0
Advisory Groups

ARVEC Meeting - date to be confirmed - 12/02/2018

REPORT SCHEDULED RESPONSIBLE OFFICER DEPT CF DW STATUS
Review of Council Reserves Eckermann, Diane FA 0

Council meeting - date to be confirmed - 20/02/2018

REPORT SCHEDULED

RESPONSIBLE OFFICER

Quarterly Financial update including Budget

Eckermann, Diane

FA

0

Review 2

Date Printed: 16 November 2017

10. Nominations to external bodies

10.1 Nomination of representative to the Australian Coastal Councils Association Inc Committee of Management

This is a regular or standard report.

Manager: Desma Morris, Manager Governance
Report Author: Sue Hammond, Governance Officer

Contact Number: 8384 0747

Attachments: 1. Email from ACCA calling for nominations (1 page)

2. ACCA Committee of Management Terms of Reference

(2 pages)

3. ACCA Committee Travel Arrangements (2 pages)

1. Purpose

Cr Jamieson has expressed an interest to be nominated as a representative to the Australian Coastal Councils Association Inc Committee of Management for 2017-19 for South Australia. This report seeks retrospective approval of Council to nominate Cr Jamieson.

2. Recommendation

That Council nominate Cr Jamieson as a representative to the Australian Coastal Councils Association Inc. Committee of Management for 2017-19 for South Australia.

3. Background

The Australian Coastal Councils Association Inc. (ACCA) is a national body which represents the interests of coastal councils and their communities. The organisation was previously known as the National Sea Change Taskforce.

The ACCA are calling for nominations to their Committee of Management for the period 2017 to 2019. The committee consists of two representatives of member councils in each state and election will be held at the 2017 Association annual General Meeting to be held on Friday 24 November 2017.

An email (attachment 1) calling for nominations was received from ACCA on 24 October 2017 with nominations closing on 10 November 2017. Given the timeframes involved in the nomination process the nomination has been submitted to the Committee and we are now seeking retrospective approval through the elected body.

4. Financial Implications

There is no sitting fee for this committee. All travel costs are paid by the Committee as per attachment 3.

5. Risk and Opportunity Management

Opportunity					
Identify	Maximising the opportunity				
City of Onkaparinga representation	A representative from the City of Onkaparinga to the Committee would be well positioned to be involved in policy and strategy and provide input from a local government perspective.				

7. Additional information

The role of ACCA is to advocate on behalf of coastal councils. It also commissions research on behalf of councils in coastal areas in relation to a range of coastal issues, including:

- The shortfall in resources to meet increasing demand for infrastructure and services:
- Coastal erosion and the projected impacts of sea level rise;
- The legal risks faced by coastal councils in relation to planning for climate change;
- Proposed changes to arrangements for natural disaster funding, which will shift more of the recovery costs onto the States and local government;
- The impact of tourists and other visitors on coastal communities.
- The continuing impacts of high population growth in peri-urban and regional coastal councils

The Association is the only body that specifically represents the interests of **Australia's coastal councils at a national level in relation to these issues.**

Terms of Reference of the Committee are shown at attachment 2.

From: Alan Stokes [mailto:stokes@bigpond.net.au]

Sent: Tuesday, 24 October 2017 9:36 AM

To: ACCA

Subject: Call for Nominations to ACCA Committee of Management

To Members, Australian Coastal Councils Association Inc.

Call for Nominations to ACCA Committee of Management

The election of representatives to the Association's Committee of Management for the period 2017 to 2019 will be held at the conclusion of the 2017 Association Annual General Meeting, at 9.00am, Friday 24 November, at the Hyatt Place Essendon Fields, 1 English Street, Essendon Fields, Victoria.

A nomination form for the election of representatives of each State to the Committee is attached. The Committee consists of two representatives of member councils in each State and is elected at each alternate Association Annual General Meeting for a period of two years.

Please note that nominations must be lodged by email at the Association's office (as indicated on the nomination form) by close of business on **Friday 10 November 2017**.

Nominations will only be accepted from representatives of Association member councils that are financial members of the Association for 2017-18.

In the event that more than one nomination is received a ballot of members will be held.

Please let me know if you have any questions.

Regards,

Alan Stokes

Australian Coastal Councils Association Inc T: 03 9399 8558 M: 0411 592 269 PO Box 550 Williamstown VIC 3016

Part 4 The committee of Management

14 Powers of the committee

The committee is to be called the committee of management of the association and, subject to the Act, the Regulation and these rules and to any resolution passed by the association in general meeting:

- (a) is to control and manage the affairs of the association, and
- (b) may exercise all such functions as may be exercised by the association, other than those functions that are required by these rules to be exercised by a general meeting of members of the association, and
- (c) has power to perform all such acts and do all such things as appear to the committee to be necessary or desirable for the proper management of the affairs of the association.

15 Constitution and membership

- (1) Subject in the case of the first members of the committee to section 21 of the Act, the committee is to consist of:
 - (a) Two delegates of each State to be elected by member councils of that State at the annual general meeting of the association under rule 16.
 - (b) Three office bearers to be elected by committee members at the conclusion of the annual general meeting.
- (2) The office-bearers of the association are to be:
 - (a) the Chair,
 - (b) the Deputy Chair, and
 - (c) the Treasurer
 - (d) the Secretary (or public officer), who does not need to be a member
- (3) Each member of the committee is, subject to these rules, to hold office until the conclusion of the second annual general meeting following the date of the member's election, but is eligible for re-election.
- (4) In the event of a casual vacancy occurring in the membership of the committee, the committee may call for nominations of members from the relevant State to fill the vacancy. If more than one nomination is received the Secretary is to conduct a ballot of members in the State to fill the vacancy. The member elected to fill the casual vacancy is to hold office, subject to these rules, until the conclusion of the next annual general meeting.

16 Election of members

- (1) Nominations of candidates for election as members of the committee:
 - (a) must be made in writing and
 - (b) must be delivered to the secretary of the association at least 5 working days before the date fixed for the holding of the annual general meeting at which the election is to take place.
- (2) If insufficient nominations are received to fill all vacancies on the committee, the candidates nominated are taken to be elected and further nominations are to be received at the annual general meeting.
- (3) If insufficient further nominations are received, any vacant positions remaining on the committee are taken to be casual vacancies.

- (4) If the number of nominations received is equal to the number of vacancies to be filled, the persons nominated are taken to be elected.
- (5) If the number of nominations received exceeds the number of vacancies to be filled, a ballot is to be held.
- (6) The ballot for the election of members of the committee is to be conducted at the annual general meeting in such usual and proper manner as the committee may direct.
- (7) A ballot for the election of office bearers (other than the Secretary) is to be conducted among committee members at the conclusion of the Annual General Meeting
- (8) In the event of a tied vote for the election of members of the committee the election is to be decided by drawing lots.



COMMITTEE TRAVEL ARRANGEMENTS

September 2015

This paper has been prepared to detail the arrangements covering the contribution of the Australian Coastal Councils Association Inc. towards the travel expenses for Committee members attending face to face meetings of the organisation.

Face to face Workshops

The current arrangements are for Association Committee members to meet face to face twice a year to consider future strategies for the organisation. These workshops are held at the same time as the Annual General Meeting that is required to be held before the end of November each year and the annual national conference, which is usually held in March but in 2016 it will be held from 4 to 6 May.

What the Association will cover - workshop coinciding with the Annual General Meeting

The Association will pay for return discounted economy airfares (QANTAS or Virgin Australia) and accommodation for one night (normally around \$200 including GST) for each Committee member. Should a Committee member opt to stay in accommodation other than that selected by the Association Secretariat, then the Association shall contribute \$200 (including GST) towards the accommodation. If the cost of the accommodation is more that \$200 (including GST) the Committee member will be required to pay the balance.

What the Association will cover - workshops coinciding with the annual conference

The Association will pay for return discounted economy airfares (QANTAS or Virgin Australia) and accommodation for two nights (normally up to \$200 including GST per night) for each Committee member. Should a Committee member opt to stay in accommodation other than that selected by the Association Secretariat, then the Association shall contribute \$200 (including GST) each night towards the accommodation. If the cost of the accommodation is more than \$200 (including GST) per night the Committee member will be required to pay the balance.

What the Association does not cover

The Association does not cover payment of conference registration or social events held in conjunction with a workshop. It is hoped that the members of the Committee will attend the annual conference. Should a Committee member not have the financial support from their council to attend the conference then arrangements will be made for them to travel to attend the workshop organised to coincide with the conference. In this situation the Association will arrange and pay for

return economy flights and accommodation for one night if the return travel cannot be completed in the same day.

Conference budget

Before any travel is booked a conference budget is to be prepared by the Association Secretariat and approved by the Treasurer or in their absence the Chair. This budget will consider a range of scenarios. To contain costs the cheapest available airfares will be budgeted and purchased. While Committee members may have a preferred airline this will be considered but cannot be guaranteed.

How travel is booked

All flights and accommodation are be made by Susan Faulkner in the Association Secretariat. Committee members are requested to advise preferred times for travel and Susan will provide options for suitable flights to Committee members.

When the travel is to be booked

As soon as the dates for the AGM and annual conference are announced, Committee members are asked to advise the Secretariat if they will be attending the associated workshops.

Arrangements for travelling with others

It is understood that Committee members may be travelling with colleagues, family members or friends. In these instances the Association will - if requested - book flights for the travelling companion of the Committee member and issue a Tax Invoice to the Committee member/companion/council for reimbursement of the expenses incurred.

Council contacts

Committee members are asked to provide the Association Secretariat with the name/s and contact details for a designated council officer or officers who can be provided with details of the travel arrangements for the Committee member.

Arrangements for alternate routes or extension of stay

If a Committee member wishes to travel to destinations other than direct return flights to their home state this can be arranged. This will be subject to the conference budget. If there is a wide variation with the budgeted cost for flights, the Committee member may be asked to pay the difference for the cost of the alternate route. If a Committee member wishes to extend their travel period in a workshop location they may do so however the Association will only cover their accommodation for one night for the AGM and up to two nights for the annual conference.

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Association Secretariat - Contact details

Alan 0411 592 269 Susan 0418 254 132 TEL: 03 9399 8558

E: info@coastalcouncils.org.au

MAIL: PO Box 550, Williamstown VIC 3016

Date Printed: 16 November 2017

11. Questions on notice

11.1 Questions on notice – Cr Nankivell – Australia Day Breakfasts

Further to decisions made by Council on 15th August 2017, would you please advise:

1. How many Expressions of Interest were received for each of the 4 breakfasts?;

A total of four expression of interests have been received, one for each location.

2. Which groups were the successful "bidders" for each of the 4 breakfasts?;

The following groups will coordinate and manage the Australia Day Breakfasts on behalf of the City of Onkaparinga:

Aldinga - Aldinga Community Centre

Willunga - Rotary Club of McLaren Vale

Noarlunga - Rotary Club of Noarlunga

Aberfoyle Park - Aberfoyle Community Centre

3. Do all of the breakfasts conform to the terms and conditions embodied in the motion?;

Yes.

4. Are any of the breakfasts expecting to deliver vastly different experiences for the community (that is, major changes to activities, menu, venue, attendance, etc)?;

Each group has provided submissions compliant with the requirements outlined in the City of Onkaparinga Australia Day Breakfast Expression of Interest.

5. How is it proposed to work the funding? The motion of Council says that funding "\$7 per head, calculated on the average attendance at each location" will be paid. Does that mean, as an example, a breakfast which intends to cater for say 1200 persons in 2018, but which has averaged 1700 persons over recent years, will be paid \$11,900 for 2018 regardless of actual attendance — potentially an extra \$3,500?

Yes that is correct. Previously payment made to the event organiser was on an **agreed cost per head** based on estimated attendance numbers in previous years. As per the resolution of Council a change has been made to the dollar value, it is now a flat rate of \$7 per head.

6. If there was a financial incentive, together with Council support for amended scoping of the project in any area, how widely was the opportunity canvassed among local community groups — including those that distribute surpluses to other groups, as much as groups that already hold healthy levels of cash for internal purposes?

The City of Onkaparinga Australia Day Breakfasts is a service provided by council. Accordingly the service review was undertaken as per the objectives below:

- review councils role in the provision of the service
- review the current level of service provided
- review the supporting systems, processes and staffing

- benchmark the service against other local councils
- identify any opportunities to alter the level of service (reduction or removal)
- identify any opportunities for cost reduction
- identify any overlaps/duplication with other internal services
- make recommendations regarding the future provision of service

To assist in the review, feedback was sought from previous community groups who had delivered the event in relation to volunteer hours and intended distribution of the profits realised from the 2017 Australia Day Breakfasts. This was in addition to the information previously provided by the community groups in their respective evaluation and review reports.

This response has been provided by the Manager Governance.

11.2 Questions on notice – Cr Brown – Advertising signs on council land

There are a number of large est.5'x3'signs on council's verges and parks advertising 'houses for sale' (photo sent to em enquiry 18/10/17)

Does the party that placed and or authorised the (4) large signs on Byards Rd & Marks St Happy Valley, Wheatsheaf Rd and Doctors Rd Morphett Vale have development approval for these generic signs?

Are these large signs in other locations in City of Onkaparinga? How long will they remain and who will remove them?

This query was responded to by Property Transactions via EM Enquiry on 19 October 2017, in which it was stated that the signs are unauthorised and that the Development Compliance team would follow up as needed.

The signs are a form of real estate sign that do not require development approval if certain criteria such as size, location and timely removal are met. We allow some real estate signs, where reasonable, to be located on land forward of a private property (usually council owned verge) if locating the sign on the private land does not allow the sign to be seen (eg where there is a front fence or substantial landscaping) — in these instances, the sign must not create a hazard to either cars or pedestrians. These signs are temporary and are usually removed soon after the property sale/s has occurred.

In very rare instances, the sign owner will be directed to remove the sign if it has not been removed in a timely manner or relocated if it is creating a hazard.

This response has been provided by the Manager Development Services.

Date Printed: 16 November 2017

12. Motions

12.1 Notice of Motion – Cr Nankivell – Budget and Rate Setting Process **Background**

Over the past 3 years, it has been uneasy having an adopted practice of setting a rate increase using economic formula, and then building expenditure (a budget) around that increase. That practice lacks respect for our community where the impact has stretched household spending, lacks relevance to the actual needs of Council, fails to encourage prudential efficiencies being explored, and has produced an aggregate of rate increases well in excess of both CPI and AWOTE (household income rises).

A change to more conventional budget processes from 2018/19 will:

- 1. Avoid prolonged EM workshops deliberating complex economic indicators and formula elements;
- 2. Put the specific engineering of expenditure and budget details firmly where it belongs with the administration;
- 3. Ensure that such proposed expenditure is robustly reviewed and properly justified to the chamber and to the community;
- 4. Allow adoption of more current and up-to-date economic trends and other impacts to more accurately factor those into the budget;
- 5. Prevent simply rolling over "business as usual" each year with every line getting an unsubstantiated and questionable increase;
- 6. Encourage due diligence within the Council to ratify spending and seek reasonable operating savings, without compromising service delivery or essential services:
- 7. Reduce the need for comparative justification of rate increases with other tiers of Government since our budget will set standards for propriety.

Reform of some financial systems is long overdue – in particular, budget and rate setting processes. This chamber has a great opportunity to establish a platform for future calculations which will provide simplicity, accountability, relevance and respect. At the very least, the proposed process will put some better science into our process for community acceptance.

Motion

That commencing with the 2018-19 Budget and rate setting process, a more conventional corporate procedure should apply as follows:

- 1. That in March 2018, the administration calculates the projected actual spending on all service lines for the year ending 30 June 2018.
- 2. That in April 2018, the administration submits for Council approval variances that might apply to each service line for 2018-19, including the impact of other government charges, Council decisions, staff and other cost pressures, in addition to efficiency savings.
- 3. That a resulting draft comparison document of 2018 actual v 2019 proposed be prepared for presentation to and adoption by Council in May 2018.
- 4. That subject to Council endorsement of the proposed 2018-19 Budget, a rate level be set to accommodate funding the approved Budget.

- 5. That the proposed Budget (in summary form) and resultant rate level be included in the draft 2018-19 Business Plan for distribution to the community for feedback.
- 6. That subject to community feedback, the proposed Budget and rate level be presented to Council for adoption in June 2018.

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Date Printed: 16 November 2017

12.2 Notice of Motion – Cr Merritt – Knox Park

Motion

That council officers undertake a feasibility for Knox Park to be developed for use as an athletics facility based on the business case for the proposed lease and operation of the facility to be provided by the southern athletics club and report back to council in February 2018.

Date Printed: 16 November 2017

12.3 Notice of Motion to Revoke – Cr Hennessy – Tour Down Under Corporate Marquee

That the following part of the resolution of Council of 19 September 2017 entitled 'Delivery of Flagship Events 2017-2018'

• the relocation of Council's race day TDU Corporate Marquee to Leconfield and Richard Hamilton Wines in January 2018

Be revoked

In the event that the above motion of partial revocation is carried, Cr Hennessy has indicated his intention to move the following in substitution for the revoked part of the Council resolution of 19 September 2017 entitled 'Delivery of Flagship Events 2017-2018':

That the Council notes the amended resolution of 19 September 2017 entitled 'Delivery of Flagship Events 2017-2018':

- That the delivery of Council's race day TDU Corporate Marquee be cancelled for 2018.
- That a review of the delivery of Council's TDU Corporate Marquee is incorporated into the review of the review of our Flagship, Tier 1 and 2 Events and the development of a three year events plan.
- The savings in relation to the cancellation of the Corporate Marquee will be treated as permanent savings for 2018-19 budget purposes and that it should be noted that outcomes of the ongoing Event Service Review may require an increase in the budget.

Date Printed: 16 November 2017

13. Petitions

Nil.

14. Urgent business

15. Confidential items

Confidential Clause

If Council so determines items 15.1 and 15.2 may be considered in confidence under Section 90(2) of the *Local Government Act 1999* on grounds contained in the Recommendations below.

Mark Dowd

Chief Executive Officer

15.1 Audit, Risk, Value and Efficiency Committee meeting confidential minutes re Libraries Review

1. That:

- a. under the provisions of Section 90(2) of the *Local Government Act 1999* an order be made that the public, with the exception of staff on duty, be excluded from attendance at the meeting in order to consider this item in confidence.
- b. the Council is satisfied that it is necessary that the public, with the exception of staff on duty, be excluded to enable the Council to consider the report at the meeting on the following grounds:
 - Section 90(3)(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)
- c. accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.
- 3. That the matter of Audit, Risk, Value and Efficiency Committee confidential minutes re Libraries Review having been considered by the Council in confidence under sections 90(2) and 90(3)(a) of the Local Government Act 1999 that an order be made under the provisions of sections 91(7)and (9) of the Local Government Act 1999 that the Audit, Risk, Value and Efficiency Committee confidential minutes re Libraries Review and the minutes and the report of the Council relating to discussion of the subject matter be kept confidential until all affected parties have been advised of Council's final decision in relation to the Libraries Review.
- 4. That, pursuant to section 91(9)(a) of the *Local Government Act 1999*, Council delegates the duty to conduct an annual review of the confidentiality order to the Chief Executive Officer, or their sub-delegate.
- 5. That, pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order to the Chief Executive Officer, or their sub-delegate.

Date Printed: 16 November 2017

15.2 Council Owned land parcel at Meyer Road, Lonsdale

1. That:

- a. under the provisions of Section 90(2) of the *Local Government Act*1999 an order be made that the public, with the exception of staff on duty, be excluded from attendance at the meeting in order to consider this item in confidence.
- b. the Council is satisfied that it is necessary that the public, with the exception of staff on duty, be excluded to enable the Council to consider the report at the meeting on the following grounds:

Section 90(3)(b) information the disclosure of which -

- (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct business, or to prejudice the commercial position of the council; and
- (ii) would, on balance, be contrary to the public interest;
- c. accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or discussion confidential.
- 3. That the matter of Council Owned land parcel at Meyer Road, Lonsdale having been considered by the Council in confidence under sections 90(2) and 90(3)(b) of the Local Government Act 1999 that an order be made under the provisions of sections 91(7)and (9) of the Local Government Act 1999 that the Council Owned land parcel at Meyer Road, Lonsdale and the minutes and the report of the Council relating to discussion of the subject matter be kept confidential until the end of all current and future contractual arrangements between the parties.
- 4. That, pursuant to section 91(9)(a) of the *Local Government Act 1999*, Council delegates the duty to conduct an annual review of the confidentiality order to the Chief Executive Officer, or their sub-delegate.
- 5. That, pursuant to section 91(9)(c) of the *Local Government Act 1999*, Council delegates the power to revoke the confidentiality order to the Chief Executive Officer, or their sub-delegate.

16. Closure

Date Printed: 16 November 2017

Conflict of Interest Disclosure Form

CONFLICTS MUST BE DECLARED VERBALLY DURING MEETINGS

Councillor:		Date:		
Meeting name:			Agenda item no:	
ı	I have identified a conf	lict of interest as:		
ΑТ	TERIAL 🗆	ACTUAL	PERCEIVED	
rec ecla	ctly or indirectly and whether pe	ecuniary or personal) if	Ited person will gain a benefit or suffer a loss (whethe the matter is decided in a particular manner. If leclare the conflict and leave the meeting at any time	
ers			a councillor's interests (whether direct or indirect, nt lead to decision that, is contrary to the public	
as		pective of an impartial,	discussed at a meeting of council, if a councillor could fair-minded person, to have a conflict of interest in	
•	The nature of my conflict of interest is a follows:			
	(Describe the nature of the inter	est, including whether th	e interest is direct or indirect and personal or pecuniary)	
•	accountable wa	y:	of interest in the following transparent and	
	OR	3		
	☐ I intend to stay in the	ne meeting (complete	part 4)	
•	The reason I intend to stay in the meeting and consider this matter is as follows:			
	(This section must be filled	' ' in. Ensure sufficient deta	ail is recorded of the specific circumstances of your interest.)	
	and that I will receive no be considering and voting on		direct or indirect, personal or pecuniary from	
10	NFLICTS MUST ALSO BE D	ECLARED VERBAL	LY DURING MEETINGS	
— Go	overnance use only: Memb	er voted FOR/AGAI	INST the motion.	
	-			

Date Printed: 16 November 2017

Ordinary Business Matters

A **material**, **actual** or **perceived** Conflict of Interest does not apply to a matter of ordinary business of the council of a kind prescribed by regulation.

The following ordinary business matters are prescribed under Regulation 8AAA of the *Local Government (General) Regulations 2013.*

- (a) the preparation, discussion, conduct, consideration or determination of a review under section 12 of the Act
- (b) the preparation, discussion, adoption or revision of a policy relating to allowances and benefits payable to members if the policy relates to allowances and benefits payable equally to each member (rather than allowances and benefits payable to particular members or particular office holders)
- (c) the preparation, discussion, adoption or alteration of a training and development policy under section 80A of the Act
- (d) the preparation, discussion, adoption or amendment of a strategic management plan under section 122 of the Act
- (e) the adoption or revision of an annual business plan
- (f) the adoption or revision of a budget
- (g) the declaration of rates (other than a separate rate) or a charge with the character of a rate, and any preparation or discussion in relation to such a declaration
- (h) a discussion or decision of a matter at a meeting of a council if the matter—
 - (i) relates to a matter that was discussed before a meeting of a subsidiary or committee of the council
 - (ii) the relevant interest in the matter is the interest of the council that established the committee or which appointed, or nominated for appointment, a member of the board of management of the council subsidiary or regional subsidiary.
- (2) For the purposes of section 75(3)(b) of the Act, a member of a council who is a member, officer or employee of an agency or instrumentality of the Crown (within the meaning of section 73(4) of the Act) will not be regarded as having an interest in a matter before the council by virtue of being a member, officer or employee.

Engagement and membership with groups and organisations exemption

A member will not be regarded as having a conflict of interest **actual** or **perceived** in a matter to be discussed at a meeting of council **by reason only of**:

- an engagement with a community group, sporting club or similar organisation undertaken by the member in his or her capacity as a member; or membership of a political party
- membership of a community group, sporting club or similar organisation (as long as the member **is not** an office holder for the group, club or organisation)
- the member having been a student of a particular school or his or her involvement with a school as parent of a student at the school
- a nomination or appointment as a member of a board of a corporation or other association, if the member was nominated for appointment by a Council.

However, the member will still be required to give careful consideration to the nature of their association with the above bodies. Refer Conflict of Interest Guidelines.

For example: If your **only** involvement with a group is in your role as a Council appointed liaison as outlined in the Council appointed liaison policy, you will not be regarded as having a conflict of interest actual or perceived in a matter, and are NOT required to declare your interest.